[H.A.S.C. No. 99-26]

OVERSIGHT HEARING INTO THE CURRENT POLITICAL, ECONOMIC, AND CIVIL UNREST IN THE PHILIPPINES

HEARING

BEFORE THE

MILITARY INSTALLATIONS AND FACILITIES SUBCOMMITTEE

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

FIRST SESSION

DECEMBER 5, 1985

U.S. GOVERNMENT PRINTING OFFICE

58-988 O WASHINGTON : 1986

H201-18

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HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
MILITARY INSTALLATIONS AND
FACILITIES SUBCOMMITTEE,
Washington, DC, Thursday, December 5, 1985.

The subcommittee met, pursuant to call, at 10:15 a.m., in room 2118, Rayburn House Office Building, Hon. Ronald V. Dellums (chairman of the subcommittee) presiding.

OPENING STATEMENT OF HON. RONALD V. DELLUMS, A REPRESENTATIVE FROM CALIFORNIA, CHAIRMAN, MILITARY INSTALLATIONS AND FACILITIES SUBCOMMITTEE

Mr. DELLUMS. The Subcommittee on Military Installations and Facilities will come to order.

The Chair would like to begin by pointing out that our distinguished colleague, the gentleman from New York, Mr. Schumer, approached the chairman several weeks ago and suggested that we begin holding a set of hearings dealing with issues around the death of former Senator Aquino. Mr. Schumer raised a number of very serious and volatile questions that the Chair believes need to be addressed. They are questions that are important, and in my estimation come to the heart of the matter before us today.

At the end of this session today it is the judgment of the Chair that the subcommittee ought to attempt to determine what further steps should be taken and with whom, as we pursue the questions raised by our colleague from New York, Mr. Schumer, as to whether or not this subcommittee ought to continue to pursue in a very detailed fashion the serious allegations raised by my colleague, or whether or not the Subcommittee for Investigations of the full Armed Services Committee ought to hold these hearings, or whether or not we ought to go back to the full Armed Services Committee, point out the questions that have been raised, the responses that they have elicited, and seek guidance from the full committee as to what further steps ought to be taken.

At the end of the meeting the Chair will poll the committee as to what the wishes of the members are.

This is an initial hearing, then, a review of the wide variety, an opportunity to place our subsequently based decisions within a wider, much broader policy consideration. As you know, next year we will be pursuing the potential of alternative sites or vast mil-

lions of dollars for military construction of the facility presently located in the Philippines.

The situation in the Philippines is volatile and clearly affects our interests there. Thus today we begin oversight hearings into the current political, economic, and civil unrest in the Philippines and its potential impact on continued United States use of military facilities at Subic Bay and Clark field.

The political situation in the Philippines is changing daily. The administration has sent a special envoy to talk with President Marcos. Opposition parties have called for the removal of United States military presence in the Philippines. Reports in the press contend that the Department of Defense is examining alternative locations at this very moment for these bases in the event that the U.S. military is forced to leave the country.

Clark Air Base is the largest Air Force base outside the United States, and Subic Bay is the largest U.S. naval facility outside the continental limits of the United States. Together, these bases are the permanent duty station for around 16,000 active-duty military and 18,000 of their dependents.

In addition, approximately 9,000 sailors and marines from the 5th Fleet use the port each day while on liberty. If we continue to operate the bases in the Philippines, it has been suggested that the United States will have to invest an additional $1.3 billion over the next few years to upgrade base facilities. If we relocate, the estimate has run as high as $8 billion.

As part of the hearings today, the subcommittee plans to examine, along with the questions raised by our distinguished colleague, from New York, the base rights agreements with the Philippine Government to determine exactly what these agreements commit the Philippine Government to provide in exchange for the monetary payments made by the United States.

We are pleased to welcome before the subcommittee this morning our distinguished colleague, the gentleman from New York, Mr. Schumer; Mr. James A. Kelly, Deputy Assistant Secretary of Defense for East Asian and Pacific Affairs; and Mr. John C. Monjo, Principal Deputy Assistant Secretary of State for East Asian and Pacific Affairs.

We will begin this morning by inviting, welcoming our distinguished colleague, Mr. Schumer before the subcommittee. The Chair would like to indicate that we do have the full text of the gentleman's opening remarks, and without objection they will appear at the appropriate point in the record. The Chair would like to welcome my colleague, and you may proceed in any fashion you choose.

STATEMENT OF HON. CHARLES E. SCHUMER, A REPRESENTATIVE FROM NEW YORK

Mr. SCHUMER. I thank you, Mr. Chairman, and appreciate the opportunity to appear before you, Mr. Chairman, and this distinguished subcommittee which you head. I would say, Mr. Chairman, that I have had a number of questions on this area, and until you and I sat down and discussed these questions we were going nowhere, and so I am very appreciative that the chairman of this sub-

committee has had the willingness and foresight to open a preliminary investigation into the questions that have gnawed at me, and I know gnawed at him. It took a good deal of courage to do so, and I am thankful.

Let me say that when you and I discussed this matter, we agreed that there were many questions that people on the subcommittee as well as in the House as a whole have had. We have become increasingly concerned about the situation in the Philippines, and the threat that is posed to United States strategic interests there. Something is rotten in Manila, and it is poisoning the long and valued friendship between the American and Filipino people.

My particular concern at this hearing, Mr. Chairman, is an incident that occurred on August 21, 1983, the day Philippine opposition leader Benigno Aquino was murdered. On that day, Philippine Air Force personnel apparently used U.S. radar equipment at a United States Air Force base, to track two planes they had scrambled to intercept Aquino's jet. If, by some misguided logic, the United States military knowingly assisted the PAF in this task, they must surely now be aware that the effect has been disastrous for democracy in the Philippines and for United States interests there. The administration must know that we cannot play with sinners and come out saints.

I first heard of the jet scrambling incident from an August 8, 1985, article in the San Francisco Examiner. The article claimed that the Wallace Air Station logbook confirmed that Mr. Marcos' army had used U.S. radar in an attempt to intercept Aquino's plane on the day of his murder. Amazed that the United States might have been an accomplice in this immoral act, I requested to review the classified log. A log entry clearly shows that Philippine soldiers had used the radar to track two fighters in an attempt to intercept and divert a passenger plane, a plane that posed no threat to the Philippine military.

Moreover, at the end of the entry, in different ink, was the name Aquino in parentheses.

I then requested a full and public investigation by the Air Force of the events and the extent of U.S. involvement. In response, I received copies of affidavits filed by six United States servicemen, and a copy of the bases agreement which provides for Philippine use of the facility with the consent of the base commander. The Air Force claimed that the affidavits contained all the information the Air Force had about the incident. An accompanying statement confirmed that there was "an unusual amount of activity" that day, and the two Philippine fighters were scrambled. To my mind, this response did not meet the standard of a full and public investigation.

And at this point, Mr. Chairman, I turn to you. And that is the result, and what has resulted is today's hearings, for which I am grateful.

Let me say, Mr. Chairman, that I think there are several questions that ought to be answered, questions that thus far have not been answered to my satisfaction, and I hope, to yours and the subcommittee's.

Neither the Air Force nor the State Department seem to think that the affidavits indicate that the target plane was Aquino's, but

two of the servicemen who were actually in the cockpit said that they were told or led to believe that this was the case. Moreover, in a public statement Maj. Paul Townsend, Director of Operations at Wallace Air Force Base, the Air Force base at which this occurred, confirmed that a Philippine colonel told him that Aquino was the target.

The Air Force claims that no one except the six servicemen and Major Townsend knew about the incident, but Major Townsend says he reported it to Colonel Lewis, assistant to the Clark Base commander. It seems that no one has found Colonel Lewis. And General Burns, the base commander, has denied any knowledge of the incident even though, according to the base agreement, he is supposed to authorize Philippine use of the equipment.

Thus two questions must be resolved: Was our equipment used in an attempt to intercept Aquino's plane on the day he was murdered, and how high up in our Air Force did knowledge of this incident go. Who authorized it, was it covered up; if so, by whom. If not, how can our equipment have been used for such a purpose without the officers in positions of responsibility being aware.

The Air Force claims that the logbook in which the Aquino notation was made sat in a safe, untouched for 2 years until press reports forced them to dig it out, dust it off and take a look at it. Major Townsend has said publicly that he added the name Aquino to the log entry because he was certain that it would be reviewed. He has also said he cannot believe that no one higher up was able to put two and two together to link the scrambling and Aquino's murder, which occurred a few hours later.

Our concern about this issue, I know, Mr. Chairman, stems not from a desire to embarrass the military, but from a concern that inadvertently we may be cutting the ground from under ourselves in the Philippines. We made a mistake in Iran, we made it in Nicaragua. Let us not make it again in the Philippines.

The United States can distance itself from an ally government without withdrawing support from its people or ignoring legitimate American strategic interests. Incidents like the jet scrambling have made me concerned that the administration in the past and perhaps still has been taking actions that compromise our ability to pursue this path.

I know that the administration's actions are taken with the aim of protecting U.S. strategic interests in preserving freedom for the Filipinos, but I believe we cannot achieve this if we embroil ourselves in immoral and irresponsible efforts of the Marcos government to stifle defense at all costs.

The public and the Congress have a right to know the full extent of our involvement, and I hope that this hearing, your leadership in it, Mr. Chairman, makes me confident, that we will discover those things today, and in the future, whatever path the subcommittee chooses to take. Time is running out in the Philippines. The candle is burning low for Mr. Marcos, for Philippine democracy and ultimately for United States interests in that area. We must take proper steps now before the light goes out in the Philippines.

I thank the chairman and the distinguished members of the subcommittee for allowing me to testify. I will be happy to answer any questions they might have.

[The statement of Mr. Schumer follows:]

PREPARED STATEMENT OF HON. CHARLES E. SCHUMER

I thank the distinguished subcommittee chairman, Mr. Dellums, for holding this hearing and for allowing me to participate in it on both sides of the witness table.

I urged the chairman to hold this hearing because I, along with many of you on this subcommittee and in the House of Representatives as a whole, have become increasingly concerned about the situation in the Philippines and the threat that is posed to United States strategic interests there. Something is rotten in Manila, and it is poisoning the long and valued friendship between the American and Filipino people.

My particular concern at this hearing is an incident that occurred on August 21, 1983, the day Philippine opposition leader Benigno Aquino was murdered. On that day, Philippine Air Force personnel allegedly used United States radar equipment to track two planes they had scrambled to intercept Aquino's jet. If, by some misguided logic, the United States military knowingly assisted the P.A.F. in this task, they must surely now be aware that the effect has been disastrous for democracy in the Philippines and ultimately for United States interests there. The administration must know that we cannot play with sinners and come out saints.

Before I focus on this issue, I would like to set the context for this hearing by presenting in brief some of the recent developments in the Philippines:

1. In August 1983, on his return from a self-imposed exile, opposition leader Benigno Aquino was brutally murdered at Manila Airport.

2. Massive demonstrations followed the assassination, the Philippine economy slid into its worst decline in recent history, and billions of dollars in capital was funneled from the country.

3. In 1984, an independent factfinding commission implicated members of the armed forces of the Philippines in the assassination. Some members of the commission charged that Gen. Fabian Ver, a loyal Marcos associate and chief of the armed forces, masterminded the murder.

4. In the spring of 1985, U.S. media uncovered and documented extensive recent investments in U.S. real estate and corporations by the Marcos family and their associates.

5. In the summer, United States reporters revealed that on the day of Aquino's assassination, members of the Philippine armed forces used the radar equipment at United States Wallace Air Station, apparently in an attempt to intercept Aquino's plane.

6. On October 30, U.S. Assistant Secretary of Defense Armitage estimated that there were 16,500 armed Communist guerrillas and predicted their eventual triumph unless the Marcos government makes significant reforms.

7. In November, Marcos announced that he would hold Presidential elections in early 1986.

8. This Tuesday, December 2, after refusing to consider incriminating evidence given by the defendants to the Agrava Commission and affidavits concerning the jet scrambling incident supplied by U.S. servicemen, a Marcos-appointed judicial panel acquitted all the military men accused in the murder. Later that day, Mr. Marcos reinstated General Ver as Chief of the armed forces.

And the litany of oppression and corruption continues.

On Tuesday we witnessed a trial without justice. I fear that in February, we may witness an election without democracy. A rigged election would probably be the death blow to Philippine democracy, to the future of United States military presence at Clark and Subic, and to good relations between the United States and the Philippine nation. I believe this friendship is crucial to the continued freedom of all people in the western Pacific.

The United States has faced problems similar to the one we face in the Philippines in other nations in the past. In Iran and in Nicaragua, the United States failed to meet this challenge effectively. The United States failed because policymakers considered only two responses—withdrawal of all assistance to the nation or continued support of an unacceptable regime.

There is a third alternative, however—a middle path whereby the United States can express disapproval of the policies of an ally government without withdrawing support from its people or ignoring the legitimate American strategic interests. I have tried to move the Congress along this path by urging the channeling foreign assistance through nongovernmental organizations and by pressuring for a truly fair and open campaign and election.

I have asked Chairman Dellums to convene this hearing today because I am deeply concerned that the administration, in the past and perhaps still, has been taking actions that compromise our ability to pursue this middle path. I know that the administration's actions are taken with the aim of protecting United States strategic interests and preserving freedom for the Filipinos. But I believe we cannot achieve this aim if we embroil ourselves in the immoral and irresponsible efforts of the Marcos government to stifle dissent at all costs.

That is why I was particularly concerned about press reports indicating that the Wallace Air Station radar was used by members of the armed forces of the Philippines in an attempt to intercept Senator Aquino's plane on the day of his assassination. Affidavits and statements to the press by U.S. servicemen indicate that U.S. military personnel may have knowingly allowed the use of U.S. equipment. In addition, public statements by former U.S. Maj. Paul Townsend, director of operations at Wallace that day, indicate that high-ranking members of the U.S. Air Force may have known about the incident and failed to disclose it until it was exposed in the press.

The public and the Congress have a right to know the full extent of our involvement with the Marcos government, and I hope this hearing will enable us to discover it today. Time is running out in the Philippines. The candle is burning low for Mr. Marcos, for Philippine democracy, and for United States interests in the Philippines. We must take the proper steps now before the light goes out in the Philippines.

Mr. DELLUMS. I thank the gentleman for his opening remarks. The Chair would recognize the gentleman from New York, Mr. Martin, for such time as he may consume.

Mr. MARTIN. I thank the chairman and I welcome my colleague from New York who is here to testify. The situation relative to the Philippines is certainly nothing new to this subcommittee. I believe at our last meeting the ranking Republican, Mr. Dickinson from Alabama, was speaking to the turmoil in the Philippines, the importance to us and the rest of the free world of our bases there, and the questions relative to, given the political climate, to what extent we ought to make further investment.

As we hear further testimony and have further inquiry as to the events that surrounded that day, we will find out, I am sure, whether or not there was use of U.S. equipment. But in the context of whether or not that has been done for decades or on a daily basis for whatever purpose, I suppose ought to be investigated to make sure all these things are taken in the proper context.

We have limited jurisdiction here. This is not foreign affairs, but we do have that question as to the extent of our investment there. To that extent I would suggest that our hearing is very appropriate.

I yield back. Thank you, Mr. Chairman.

Mr. DELLUMS. The gentleman yields back his time. The Chair would now recognize the gentleman from Virginia, Mr. Sisisky, for such time as he may consume.

Mr. SISISKY. Thank you, Mr. Chairman.

I too would like to welcome our colleague and appreciate his statement. I am a little confused, though, Mr. Schumer. I think I know what you are driving at, but I am having a difficult time in my mind relating why they would absolutely need to use our radar on a commercial plane when they would have their radar, I assume, at the airport, and would certainly have any right to get them to land at another airport. I don't understand where the connection comes in that we have done a great violation to a passenger on a plane at that time. Could you explain to me?

Mr. SCHUMER. I think my good friend and colleague from Virginia's question is well taken. The question is very simply put that, you know, the Wallace Air Force Base radar equipment was hardly the only radar equipment available. I am sure there was commercial aircraft equipment available. I think the issue, though, is this.

The issue concerns us as Americans, and as my good friend and colleague both here and in the New York State Legislature has said in his question, what really is the focus here is not whether the Filipino Army, in doing this act, didn't do it in the best way to serve their own interests, but rather, if United States military equipment and military bases are used for these kinds of activities, doesn't it discredit this country in the eyes of the countries who you are trying to protect and the countries that are important to us strategically.

I cannot tell you—I can tell you there are lots of reports that the Filipino military is not the most competent in the world. That may well be one of the reasons that there is such an insurrection in the Philippines, and why they would choose to use this Air Force base rather than a commercial one I can't tell. Maybe it is a question, I don't know if it is for this subcommittee; it may be, it may not.

My question is what kind of procedures are there at our bases to prevent this kind of activity, if it did happen, from occurring, because I think we could all agree that the fact that it occurred, if it did, would be devastating to U.S. interests.

Mr. SISISKY. Are we sure that this is not part of the agreement? I guess from the witnesses later on, Mr. Chairman, we can ask that question, and not to you.

Mr. SCHUMER. I would say to the gentleman from Virginia these are the issues I have raised—the issues I have raised—questions in my mind. When I went initially to the distinguished subcommittee chairman I told him that I wasn't sure what the answers were, but of one thing I was certain, that somebody ought to look into it. And because I had confidence in this subcommittee, I was delighted when the chairman had agreed and members of the subcommittee had agreed to have this hearing.

Mr. SISISKY. Thank you. I yield back the balance of my time.

Mr. DELLUMS. The gentleman yields back his time. Our distinguished colleague Mr. Hartnett is recognized for such time as he may consume.

Mr. HARTNETT. Thank you, Mr. Chairman. I too would like to welcome our colleague from New York.

I am a little bit confused. I listened as best I could to the part of your statement for which I was able to be present. There is some concern that apparently a couple of soldiers and a major all confirm these things, and then the State Department, the Department of Defense and higher officials within the Department of Defense and Department of Air Force had no knowledge of it. Yet a lot of credibility was put on the statement of a couple of soldiers and a major. But I think the question arises, what purpose does all of this serve, and you have I think in your own mind outlined that for the gentleman from Virginia just moments ago. Apparently you can find a justifiable reason for this type of thing.

All this has already been in California newspapers, apparently, and I wonder what good it is going to serve, and if in fact the Phil-

ippine military does have the use of this equipment; it is not offensive equipment, it is radar, it is a tracking device. My colleague raised the question privately who knows when a Xerox machine on loan to the Philippine Government might not have been used for political reasons.

I don't know, when maybe perhaps food supplied by the United States, or any number of things that are not considered to be offensive or destructive weapons that were used in any way in any anger or any violence were used, I wonder what purpose is served, especially when one goes so public with this before we privately look into it as a committee or as a Congress or as a nation. I just often wonder why so many people, in an effort maybe to make headlines and not make headway, use our Government, and the good we try to do around this world, to try to use us as a whipping boy.

You have not satisfactorily answered to my satisfaction what good is served by all this, if in fact we find that we were guilty as charged by two soldiers and a major, if in fact we find our radar was used to assist the Philippine Air Force or Army to track a jet, a commercial jet, what would you advise? That the Chiefs of Staff resign? That President Reagan prostrate himself and beat his breast and say mea culpa?

We have put this equipment for these people to use. I assume we have to put some confidence and credibility for what they use it for. If as you say it was used for a horrible purpose, then we might investigate whether or not we should give them additional equipment or give them use of it. But I would ask the gentleman from New York to please give me a little bit of definition as to what good is served by all this.

Mr. SCHUMER. Sure, I would be delighted to, and I think the question is a legitimate question. The gentleman's first point was, just to quote, "a couple of soldiers and a major" said these things. First, it was six servicemen and a major. I have faith in their credibility, but I am not the only one who has faith in their credibility. Their affidavits were submitted by our Government to the Philippine Government as evidence to be used in the trial of General Ver, and also before the Agrava Commission, which investigated the assassination of Senator Aquino, and that brings me to the larger context.

Unfortunately, if this radar were used and if Aquino had not been assassinated, we probably wouldn't be sitting here today. That is for sure. But the Aquino assassination has touched off a firestorm in the Philippines, a firestorm which not only me but people in the administration, Assistant Secretary Wolfowitz has said, have jeopardized American interests in the Philippines.

You and I may say sometimes our equipment, sometimes our food, sometimes a Xerox machine, as you put it, might be used for bad purposes. Unfortunately, at best a lack of controls in this cockpit at Wallace Air Force Base have severely damaged the credibility of the United States in the Philippines, and will continue to do so until these questions are resolved.

I am not looking for blame. I am looking to correct—No. 1—to correct what I consider a situation that is in dire need of correction. That is, if, for instance, let me pose a hypothetical, which

can't be ruled out, let us say that some of our higher military personnel knew that there was a plan to divert or perhaps even assassinate Senator Aquino, and didn't take an appropriate action, in fact allowed the cockpit to be used. That, I am sure, would bother the gentleman from South Carolina.

Mr. HARTNETT. Oh, yes.

Mr. SCHUMER. As it would bother myself. I am not here to give you all the answers. That is not in my power and I don't have it. I have a lot of questions. I think they are legitimate questions, and they are questions that not just this gentleman as a Democrat has, but all of us as Americans who really care about the Philippines. I believe the United States has vital strategic interests in the Philippines.

Mr. HARTNETT. If I could just follow it up with a question.

Mr. SCHUMER. Surely.

Mr. HARTNETT. I can see where you feel that this occurrence or this incident damaged United States credibility to the extent that now we are not in any good state with the Philippine people, but my followup question is isn't our continued past support of the Marcos government—I mean, just because of that, too, we probably have some credibility problems with the Philippine people, and what you are probably saying is that this event just added additional weight to that or is the straw that might have broken the proverbial camel's back.

But would not just our support of the Marcos government in the past have caused us some crediblity problems, and this may not be a major occurrence, but an additional occurrence that hurts our crediblity, but we have always supported the Marcos government, and that in and of itself would be enough to cause us not to be in that good a shape with the Philippine people, would it not?

Mr. SCHUMER. Well, I would suggest to the gentleman that his characterization is correct. Our support of the Marcos government has left us in not that good shape with the Philippine people. However, what was a cataclysmic event in the Philippines was the assassination of Aquino. If there are questions about the U.S. involvement, even if unintentional in that assassination, that raises the level of distrust toward the United States within the hearts of the Filipino people, who are generally very pro-American and prodemocratic. The Philippines have had more elections in this century than Japan has had, and there are questions that are very real.

I would disagree respectfully with the gentleman's characterization that this is a minor incident. It was what started out as a minor incident, had a major influence on world affairs, particularly in the Philippines.

Mr. HARTNETT. I don't mean the assassination of Mr. Aquino.

Mr. SCHUMER. No, no

Mr. HARTNETT. Our assistance with radar surveillance, I would assume, would have been an everyday occurrence, or almost an everyday occurrence?

Mr. SCHUMER. No, I would remind the gentleman that in the cockpit, in the logbook which I inspected, the Air Force brought me the logbook and allowed me, not my staff, to look at it. There was the word "Aquino" written in right in the logbook. Major Townsend, who was the person I mentioned before, said he wrote it in

because it was his understanding that the planes were sent to intercept Aquino's plane. I am sure that if, say, Secretary of State Shultz or Secretary of Defense Weinberger knew that that was the intent, they would have ordered them not to use the U.S. cockpit. If they were to go to, you know, the Manila Air Force Base or whatever——

Mr. MARTIN. Would the gentleman yield?

Mr. SCHUMER. I will be happy to yield, but that is the issue.

Mr. MARTIN. Just for clarification because it is causing some confusion up here. The gentleman has used the term "cockpit."

Mr. SCHUMER. I mean control tower. I think cockpit is the technical term, but I mean control tower.

Mr. MARTIN. You are not talking about the use of any Air Force radar?

Mr. SCHUMER. No, no.

Mr. MARTIN. You are talking about the alleged use of your standard tracking radar?

Mr. SCHUMER. Correct.

Mr. MARTIN. Such as they have at Kennedy or Charleston?

Mr. SCHUMER. Correct.

Mr. MARTIN. Or Martinsburg. It is the standard military or civilian use tracking radar——

Mr. SCHUMER. Right.

Mr. MARTIN [continuing]. The controllers use; is that what you are talking about?

Mr. SCHUMER. That is correct. May I say to the gentleman from New York——

Mr. MARTIN. This doesn't refer to anything in the scrambled aircraft?

Mr. SCHUMER. That is correct, and I will ask the reporter to change the word "cockpit" to the words "control tower." I have heard it technically referred to as cockpit, but for purposes of clarification I would ask that the word be used as control tower.

Mr. HARTNETT. I thank you.

Mr. SCHUMER. I thank the gentleman from South Carolina.

Mr. DELLUMS. The time of the gentleman has expired. The gentleman from Alabama, Mr. Dickinson, is recognized for such time as he may consume.

Mr. DICKINSON. I have no questions.

Mr. DELLUMS. The Chair would indicate to his colleagues who were not present when the Chair made his opening remarks, it is the desire of the Chair that at the end of these proceedings that the subcommittee would determine what further steps are to be taken with respect to the questions raised by the gentleman from New York. Clearly, one of our colleagues raised these kinds of questions, we have a responsibility to at least: (a) provide a platform, and (b) be willing to pursue these matters.

The Chair is not sure that this particular set of concerns the gentleman raises falls within the jurisdiction of this subcommittee, but we certainly have a responsibility as the Subcommittee on Military Installations and Facilities, under our oversight responsibility and certainly within the framework of our responsibilities with respect to military construction, to take a look at this matter.

The allegations the gentleman raises, or the questions the gentleman raises simply highlight the problems that this country is presently facing in the Philippines, and future decisions that have to be made with respect to that, so these hearings should be perceived as a beginning, for us to carry out what our legitimate responsibilities are in this regard.

At the end of the hearing we can decided whether we should go to the full committee, ask the full committee for guidance with respect to how we pursue the questions raised by the gentleman. They may ask the subcommittee to pursue it. They may ask the Subcommittee on Investigations to pursue it. The full committee may choose to do that. But that is the judgment call that we will make at the end of these proceedings.

The Chair, based upon the gentleman's submittal, has prepared a few questions that he would like to raise, and when the gentleman finishes answering these questions the Chair would like to exercise the prerogative of the Chair or certainly without objection and invite our distinguished colleague to sit with the panel as we pursue these specific matters and more broader issues with respect to United States participation or United States bases in the Philippines.

The first question, just for the record—and I think you have sort of handled these but I just want to put it at this point in the record—are you contending that high-ranking members of the United States Air Force knew that the Philippine Air Force was attempting to intercept Aquino's plane, and did nothing to prevent it? What do you believe they should have done if that is the contention you are making, and when should they have done it?

Mr. SCHUMER. I thank the chairman. Major Townsend, who is a major in the United States Air Force, said that he knew, he was told by a Colonel Tapawan of the Philippine Air Force that the planes were scrambled to intercept Aquino. He said that he had reported the activity to the assistant to the Clark Base commander, a Colonel Lewis, who at least by my own little investigations I have been unable to locate him, and Colonel Lewis said to him, "We think we know what is going on." That is a point I left out in my original testimony, but I think it is important.

General Burns, who was the commander, the overall commander of the base, said he had no knowledge. So the question is: Is there a chain of command? What are the rules in the military facility when something like this—let's set the event in context. Aquino's return to the Philippines was a major, major event, and it was known because Aquino let it be known that he was going to fly. He landed in the Philippines on such and such a day, and there were thousands of people ready to greet him. He had been the opposition leader. He had been elected senator in the Philippine Parliament, and so for any U.S. military official to hear that planes were sent up to intercept the Aquino plane, knowing that U.S. Air Force radar facilities would be used, should bring questions to somebody's mind.

It could have been checked out. I can't get those answers, but I believe that what I am saying is at least according to Major Townsend it went as far as Colonel Lewis and General Burns, who was Colonel Lewis' superior, said he didn't know of it. At the very least,

on something unusual like this, I believe the chain of command ought to have been clarified and specified, and this is really a decision that not only is a military decision, it is a diplomatic decision as well, and I would think that there ought to be some procedure to alert people to that effect. Whether there are or not, you have future witnesses who will be able to answer that.

Mr. DELLUMS. The Chair yields to the gentleman from Alabama.

Mr. DICKINSON. I thank you. I apologize for being a little late. I was in the Research and Development Subcommittee and I was delayed coming here.

What inference or what do you interpret the word to intercept the plane; do you mean to attack it and shoot it down or to protect it? You are in a control tower and military control towers hand off traffic all the time in the States, out of the States. But to say that they alerted two planes to intercept, what does that mean to you? Was this a threat to the commercial plane or what?

Mr. SCHUMER. It could have been. That is one of the things that I would hope we could find out, because as you know, just yesterday or earlier this week General Ver, the commander of the Philippine Army, was acquitted of any complicity in the murder of Senator Aquino. If the planes were sent to intercept, meaning shoot down, it would have real implications for what happened in terms of Philippine democracy. If they were just sent to escort, it would have different implications, and as I said in my opening statement, these are questions that I think ought to be answered. I can't give the gentleman the answer. Maybe Major Townsend could. Maybe Colonel Lewis could. I can't.

Mr. DICKINSON. I didn't know if it was something sinister that you could read into this that I had missed because I came in late.

Mr. SCHUMER. I think you could read it either way, I would say to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman.

Mr. DELLUMS. I think you have answered my second question, in responding to the gentleman from Alabama, because the question I was going to ask is if the Philippine Air Force was attempting to intercept a plane on which Aquino was a passenger can you speculate as to why?

Mr. SCHUMER. I would say the gentleman from Alabama has clearly indicated, and my response to him, that we need to know why, and we don't know why.

Mr. DELLUMS. In your pursuing this matter, do you know whether or not the United States-Philippine base rights agreements allows the Philippine Air Force, armed forces, to have access to the radar equipment at Wallace Air Station?

Mr. SCHUMER. I do not know for sure, and that is another question that I would hope—let's put it like this. The rules allow the Philippine Air Force to use the base, to use the facility with the consent of the commander. I think a question that would be quite relevant is how often had it been used in the past, and for what purpose; was it daily; was it weekly; did it only occur once a year. So that it might raise eyebrows. I don't know the answer to that. I have been unable to find that out.

Mr. DELLUMS. Are there any additional questions? The gentleman from Michigan, Mr. Hertel, do you seek recognition?

Mr. HERTEL. I take it that our colleague is raising this question not only——

Mr. DELLUMS. The gentleman is recognized for such time as he may consume.

Mr. HERTEL [continuing]. To find out what did occur exactly, but also for the future, because of the very difficult situation you described in your statement that we are all aware of in regard to the Philippines, and as I understand this committee, has the jurisdiction over the facility there, being such a very important facility of this country, but also considering, as the gentleman points out, to the future implications as to how our Nation not only is perceived but the course that we take in regard to ensuring democracy in the Philippines, and I think it is proper for the committee to review what the agreements are, not only in view of what has happened in the past, but what might occur in the future, because of the very tenuous situation there.

Mr. SCHUMER. I thank the gentleman.

Mr. DELLUMS. The time of the gentleman has expired.

The Chair would like to exercise at this point the prerogative of the Chair and invite our distinguished colleague to join the panel for the remaining proceeding, and thank him very much for his opening remarks, thank him very much for bringing this important matter before the subcommittee and triggering this beginning, as we go forward investigating in a full way the specifics that the gentleman raised and as we explore the broader policy considerations of the subcommittee's jurisdiction.

Mr. SCHUMER. I thank the distinguished chairman of the subcommittee.

Mr. DELLUMS. Our next witnesses this morning are Mr. Kelly and Mr. Monjo. As you know, foreign and defense policies are interrelated, inextricably tied, and so it would be the judgment of the Chair that we bring both witnesses forward, ask them to make their opening remarks beginning with Mr. Kelly, and concluding with Mr. Monjo, and at the end of the two gentlemen's testimony we would open up for questions to allow some interplay and exchange between the two witnesses, and we would like to welcome both Mr. Kelly and Mr. Monjo before the subcommittee this morning.

Mr. Kelly and Mr. Monjo, we have your prepared remarks. Without objection, they will appear at the appropriate point in the record. Mr. Kelly, you may proceed in any fashion you choose, sir.

STATEMENT OF JAMES A. KELLY, DEPUTY ASSISTANT SECRETARY FOR EAST ASIAN AND PACIFIC AFFAIRS, INTERNATIONAL SECURITY AFFAIRS, DEPARTMENT OF DEFENSE, ACCOMPANIED BY COL. FREDERIC J. FLEMINGS, JR., ASSISTANT DEPUTY DIRECTOR FOR REGIONAL PLANS AND POLICY, HEADQUARTERS, USAF

Mr. KELLY. Thank you very much, Mr. Chairman. Before paraphrasing my prepared remarks, sir, I would like to respond in part to some of the matters mentioned by Congressman Schumer. Specifically, I would like to maintain very strongly that the United States military did not knowingly assist the Philippine Air Force in

any task involved with the assassination of Senator Aquino on August 21, 1983.

Second, sir, with your permission, I would like to present to the committee a letter which forwards to the subcommittee the affidavits and the log pages that were referred to in previous testimony, and which in fact had previously been provided to the Government of the Philippines for their possible use in legal proceedings.

Mr. DELLUMS. We would appreciate that, and without objection it is so ordered. These documents will appear at the appropriate point in these proceedings.

[The following information was received for the record:]

INTERNATIONAL
SECURITY AFFAIRS

ASSISTANT SECRETARY OF DEFENSE

WASHINGTON D.C. 20301

5 December 1985

Honorable Ronald V. Dellums
Chairman, Subcommittee on Military
Installations and Facilities
Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Attached are copies of the affidavits executed by USAF personnel who were on duty at Wallace and Villamor Air Stations, Republic of the Philippines on 21 August 1983. Included also is a copy of the Wallace Air Station log book for that date. These documents were furnished to the Government of the Philippines on 26 August 1985 and subsequently released to the press on 4 September 1985.

Sincerely,

James A. Kelly
Deputy Assistant Secretary of Defense
East Asia and Pacific Affairs

AFFIDAVIT

I, James H. Keys, being duly sworn, depose and say:

1. My name is James H. Keys. I am 41 years old and a Lieutenant Colonel in the United States Air Force in which I have served for almost eighteen years. I was assigned as the United States Facilities Commander at Wallace Air Station in August 1983 and served there until August 1984. I was also the Commander of the 848th Aircraft Control and Warning Squadron. As Commander of the facility, my primary concern was with managing the entire facility and seeing that the 848th accomplished its mission successfully. I delegated most of the operational duties to my Director of Operations, Major Paul Townsend, who served very capably.

2. On 21 August 1983, I was called by Major Townsend who requested me to come to the operations room. No further details were discussed in the call. When I arrived in the operations room, I observed three or four Philippine Air Force (PAF) personnel who appeared to be looking for an aircraft on the radar scopes they were using. As best I can remember it was Major Townsend who told me that was what they were doing. The activity was unusual in that PAF Controllers rarely came in on a weekend.

3. I exchanged a brief greeting with Major Farolan, the Philippine Commander, who appeared to be hesitant to discuss his current mission but he may merely have been too busy to chat very much. I do not recall if any PAF aircraft had been launched on that day. What was clear to me was that the PAF personnel were running an operation in which the United States Air Force (USAF) was not involved. I do not recall making a connection between the activity at Wallace and Senator Aquino's arrival in the Philippines. I do not remember any plans or intentions to divert an aircraft to Basa Air Base.

JAMES H. KEYS

Subscribed and sworn to before me this 21st day of August 1985 at Arlington, Virginia.

NOTARY PUBLIC

My commission expires: 21 January 1989

6

UNCLASSIFIED

20 Aug 83 ~~SECRET~~

1609	C	ADRIP Passed as Follow: 3.4/5, 5/8 3/12 4.12 1 Ø 7 Ø 8 Ø		[illegible]
2025	U	Notified UOA master control room that their broadcast was interfering with Crash Net. They were able to only turn down a small amount. It did help a little bit.		[illegible]
2238	U	CHARLIE CREW MIDS OFF Duty @ SD: [illegible]		[illegible]
2239	U	ALPHA CREW ON DUTY @ TT		VAA
↓	↓	SD: Marion A. Black SDT: TSgt Austin		VAA
2305	U	OIF + COMSEC Complete sgt ADAMS		[illegible]
2345	U	New etro secure phone is 0200Z		VAA
0205	U	We turned off the Height Scope to prevent Damage to the CRT RADAR maint notified for the Malfunction		[illegible]
0210	U	Backlog 2400 LOG CLOSED FOR OLD ZULU DAY		VAA
		21 AUG 83		
0211	U	Backlog 0001 LOG OPENED FOR NEW ZULU DAY		VAA
0215	U	Secure phone Operational 5X5	47	VAA
~~0250~~	~~U~~			VAA
0340	U	Maj Farolan informed us that they (PAF) were directed by Arrow to scramble and have RPC 1964 (aircraft inbound from Hong Kong) land at BASA AB whether or not that is their intensions. (AQUINO)		VAA
0350	U	SSgt Hampton at ARROW notified of above entry. 13AF Notified		VAA
0420	U	PAF fighters RTB. Target Not Detected.		VAA
0641	U	ALPHA CREW DAYS OFF DUTY SD: Marion A Black		[illegible]
0647	U	CHARLIE CREW SWINGS ON DUTY @		
/	/	SD: Joseph E Lord SDT: TSgt. Henderson		
0655	U	Comm Checks Complete - Arrow/OH Clark/RH		
/	/	Cubi/MPA 13th/DP 3rd/US		[illegible]
0657	U	PARKING CHECK COMPLETE		[illegible]
0710	U	OIF & COMSEC COMPLETE - SRA HARLOFF		[illegible]
0845		TRACK 017 ID AT 0835 (KIDSWIN) ARROW DECLARED IT UNKNOWN AT 0812Z		[illegible]
0854		TRACK 017 FRIENDLY AT THIS TIME		[illegible]

UNCLASSIFIED
SECRET

21 Aug 83

1048	U	LT LAND PRESENT WHEN TELEVISION & SPECIAL NEWS BULLETIN STATED SENATOR AQUINO ASSINATED AT MANILA INTERNATIONAL AIR PORT. MAJ FAROLAN, LT. COL HIGHTOWER/13", MAJ KEY'S, MAJOR TOWNSHEND NOTIFIED.		
1046	U	MAJ. KEYS CALLED OPS. AND SAID AIR CONDITIONING IN HEADQUARTERS BLDG NOT WORKING — REFER. PERSONELL NOTIFIED AND DO HAVE WORK SCHEDULED FOR THAT BLDG MONDAY MORNING MAJ. KEYS NOTIFIED OF THIS.		
1145	U	SCOPE CHECK-OUT COMPLETED ONLY DISCREPANCY IS ON SCOPE 9 "CURSER MODE" SWITCH LOOSE. SRA HARLOFF		
1439	U	CHARLIE CREW SWINGS OFF DUTY @ SD: [signature]		
1439	U	CHARLIE CREW mids ON Duty @ TT SD: Capt. Bruce N. Winter SDT: All [signature] H Swenson		
1500	U	OIF & Comsec Inventory are Complete: All [signature] Swenson		
1514	U	line Checks complete with Arrow/78, 3TFW/CR, 13AF/LM, Clark/PZ, and Cubi/SH all 5X5. A-21 5X5, A-22 & R23 SSB only.		
1627	C	ADRIP Passed as follows: Section 3. 6-15, 5-15, 3-12. Section 4. 10 1 Ø Section 8 2F-5	78	
2256	U	Charlie Crew Mid's off duty @ TT SD: Bruce Winter		
2257	U	ALPHA CREW ON DUTY @ TT SD: [signature] SDT: TSgt Austin		
2400	U	LOG CLOSED FOR OLD ZULU DAY.		

22 AUG 83

0001	U	LOG OPENED FOR NEW ZULU DAY		
0005	U	Line checks complete, arrow JM 3TFWCP KB 13CP DC Rapcon Clark AL Rapcon Cubi 73 R21 61 R22 NC* R23 NC* (* No contact)		
0215	U	OIF ComSFC Complete, AIC Lamb		
0221	U	UHF 305.4 Weak Recieve Maintaince Notified.		
0225	U	PARKHills Keyed for New Zulu Day.		
0400	U	Base siren 5X5.		
0344	U	13TH AF CP NOTIFIED US OF THUNDERSTORMS WITHIN 10 MILES AND LIGHTNING WITHIN THREE(3) MILES OF CLARK AB WS		

SECRET
UNCLASSIFIED

AFFIDAVIT

I, David B. Hampton, being duly sworn, depose and say:

1. I am a Staff Sergeant in the United States Air Force, currently stationed with the 3400th Technical Training Group at Keesler Air Force Base, Mississippi. I have served in the United States Air Force since September 15, 1971.

2. I have served three tours of duty in the Republic of the Philippines. In 1972-73, I was stationed for thirteen months at Wallace Air Station. In 1975-76, I was again stationed for approximately one year at Wallace. From December 1978 until May 1980 I was again stationed at Wallace. From May 1980 until May 1984, I was stationed with Detachment 1, 13th Air Force, Villamor Air Base, serving as advisor to the 1st Air Division of the Philippine Air Force.

3. The Philippine Air Defense Control Center is located at Villamor Air Base. It consists of one, two-story building, comprised primarily of offices. Below ground level is located an Air Defense Control Center, sometimes known as the "operations room." In the operations room is located a large plotting board, consisting of a plexiglass map of the territory of the Philippines and surrounding areas.

4. The Philippine Air Defense Control Center is the central controlling operational center for all Philippine Air Defense functions. It has no radar capability of its own. It is, however, directly connected with several radar sites, including Wallace Air Station.

5. Eight United States Air Force personnel are normally assigned to Villamor, including two officers and six enlisted men. Four of the enlisted men serve as Senior Control Technicians, working twelve hour shifts seven days a week. The two officers and two of the enlisted men normally work regular office hours during the week. On a normal weekend or at night, there will be one Senior Control Technician on duty.

DA

6. I do not know the number of Philippine Air Force personnel at Villamor officially on duty at any given time. It appeared to me that approximately ten to fifteen Philippine Air Force personnel were normally on duty during the day and a lesser number in the evenings and on weekends.

7. On Sunday, August 21, 1983, I was the Senior Control Technician on duty at Villamor from 0600 until 1800 (Local Time). At approximately 0900-0930, I received a telephone call from Captain Marion Black who was the Senior Director at Wallace Air Station that day. Captain Black asked me what was going on at Villamor. I asked him what he was talking about, and he informed me that the Philippine Air Force at Wallace was requesting the use of United States Air Force radar scopes there and would not tell him why.

8. Immediately after Captain Black's phone call, I went downstairs into the "operations room." I saw there at least four Philippine Air Force officers, including Colonel Kapawan, the Chief of the Air Defense Control Center. I asked Colonel Kapawan what was going on. He informed me that it was an "internal affair." Because I knew from the Manila newspapers that Senator Aquino was expected to arrive that day, I asked Colonel Kapawan if it had to do with Senator Aquino. He repeated that it was an "internal affair." I observed that the Philippine Air Force personnel were in position to plot aircraft routes on the plotting board in the operations room. I then returned to my office, called Captain Black at Wallace and informed him of what I had been told by Colonel Kapawan.

9. Some time later in the morning, I received a further telephone call from Wallace, this time from Major Paul Townsend. I do not recall the specific content of that conversation, but I believe I informed him that I knew nothing further than I had related to Captain Black in the previous conversations.

10. Somewhat later in the day, perhaps around noon, Colonel Kapawan came into my office. I asked him again if the activity in the operations room was related to Senator Aquino. He said yes,

AFFIDAVIT

I, Marion Allen Black, having been duly sworn upon oath depose and say:

1. My name is Marion Allen Black. I am 29 years old, a Captain, and have been in the Air Force almost eight years. I trained in weapons control at Tyndall Air Force Base in Florida and have served in weapons control related duties at Tampa, Florida, Okinawa, Japan, and Wallace Air Station, Republic of the Philippines. I was assigned to a one year tour at Wallace Air Station in December 1982. I was the Senior Director of an Air Defense control crew consisting of approximately 20 people.

2. Wallace is an Air Defense Direction Center. It has about 14 radar scopes. These scopes are used by both the Philippine Air Force (PAF) and the United States Air Force (USAF). Air Defense instructions are issued from the Philippine Air Defense Control Center (PADCC) at Villamor (formerly Nichols Air Base). There are four Air Defense Direction Centers (ADDC) in the Philippines. The other three are manned exclusively by PAF personnel.

3. The mission of the ADDCs is to support air defense systems by maintaining surveillance of the assigned area within the Philippine Air Defense Identification Zone (PADIZ). Thus, it was our duty to track and monitor aircraft in our area and, for training purposes, to control USAF and occasionally PAF aircraft particularly with respect to flights originating or terminating at Clark Air Base. It was also our mission to control USAF intercepts of unidentified or unknown aircraft when directed by 13th Air Force.

4. On week days the Wallace ADDC is manned by about 15-20 USAF personnel and one or two PAF personnel. Most of the time the PAF personnel stayed in the administrative area and not in the "dark room" where the radar scopes and plotting boards are located. Several times a week when the Philippine Air Force was training, the PAF personnel would request permission to use the scopes and

and advised me that the Philippine Air Force had wanted to divert Senator Aquino's flight to Basa Air Base. Colonel Kapawan told me they were looking for a China Airlines flight coming from Hong Kong. Colonel Kapawan told me that they had failed to intercept the aircraft.

David B. Hampton
DAVID B. HAMPTON

Subscribed and sworn to before me this 2nd day of August 1985 at Arlington, Virginia.

Charles R. Haing II
NOTARY PUBLIC
My commission expires: 21 January 1989

be assigned frequencies. Such requests were routinely granted. On weekends there would ordinarily be from five to seven USAF personnel and usually one Philippine Air Force enlisted person.

5. On 21 August 1983 my crew began duty at 0700. On duty with me were T/Sgt Wendell Austin, Lt. Michael Etzler and Sgt. Mike Afuso plus several others whose names I cannot recall. The Director of Operations that day was Major Paul Townsend. He was not in the building but was on call.

6. Based on the entries in the log that day and my memory, about 1030 or 1100 AM local time, Major Farolan, the Wallace PAF Site Commander, Captain Bandong, the PAF Director of Operations, and four or five other PAF personnel came to the "dark room." They asked permission to use two scopes and be assigned four frequencies for radio communications.

7. This struck us all as very unusual because we rarely saw any PAF personnel on weekends and never in such numbers (full battle staff size) except during exercises. We USAF personnel became curious and discussed the unusual situation among ourselves. I asked Major Farolan what was happening and was told in effect that I need not worry about it, it was internal Philippine Air Force business. This also struck me as unusual because Major Farolan was ordinarily a very affable, communicative person.

8. At about this time, although I can no longer remember the exact sequence, we attempted to find out what was happening by calling Sgt. Hampton at Villamor who made inquiry there and was similarly rebuffed.

9. Major Townsend arrived in response to our call and discussed the matter with Major Farolan. Before Major Townsend arrived I had told the PAF to stand by on their operation until he arrived. After discussing the matter out of my hearing Major Townsend, Major Farolan and Captain Bandong moved to room to room meeting of the minds on the issue. Major Farolan, Captain Bandong, Major Townsend and I went into an adjoining area where Major Farolan explained that the Philippine Air Force was going to launch two F-5's to intercept a civilian aircraft and either have

it back to its origin or escort it to Base Air Base for landing. Major Townsend then authorized the PAF to use two radar scopes and four UHF frequencies, as they had requested, but Major Townsend stated that this activity was a PAF affair, in which the USAF would not take part.

10. My impression throughout these events was that the PAF was looking for a commerical airliner. I do not know on what basis I formed that impression. I also recall being told by either Major Parolan or Captain Bandong that the Philippine Government felt that it was unsafe for the aircraft to land in Manila because of threats made against a passenger's life. As I remember it, the passenger was later identified as Senator Aquino.

11. The PAF personnel approached their duties with unusual seriousness and maintained surveillance until shortly after the F-5s returned to Base about 1220 local time.

12. Regarding the log entries for 21 August 1983, in particular the one of 0340Z time, I am told that the word "(Aquino)" appears on the original log written with a green felt pen. To the best of my knowledge that entry was not there in the log when I left Wallace in December 1983. The log entries were made in black ink only. Sometimes, red ink was used to underline. Green was never used. As far as I can determine no intercept was ever made nor do I have any other reason to suspect that it was successful. I do not know the names of any other PAF personnel who may have been in the "dark room" that day.

GORDON A. BLACK

Subscribed and sworn to before me this 21st day of August 1985 at Arlington, Virginia.

NOTARY PUBLIC

My commission expires 31 January 1989

AFFIDAVIT

I, Wendell A. Austin, being duly sworn, depose and say:

1. I am a Technical Sergeant in the United States Air Force, currently stationed at Buckley Air National Guard Base in Aurora, Colorado. I have served in the United States Air Force since July 1967.

2. From March 1, 1983, until March 1, 1984, I was stationed at Wallace Air Station in the Republic of the Philippines. My principal duty there was to serve as Senior Director Technician and Combat Crew Supervisor. I was the senior enlisted person on duty and administratively supervised all other enlisted personnel on duty. Under the supervision and command of the Senior Director (normally a United States Air Force Captain), I also operationally supervised all other United States Air Force personnel.

3. Operations at Wallace Air Station take place in a single building comprised of various administrative offices and an operations room more commonly known as the "dark room." In the Wallace "dark room" were located approximately a dozen radar scopes. These radar scopes were turned on at all times. During normal work days, the majority of these scopes would be manned by United States Air Force personnel. At nights and on weekends, only a small number of the radar scopes would actually be manned.

4. During normal week day operations, there were approximately 15-20 United States Air Force personnel on duty at Wallace. At night and on weekends, there were normally about eight personnel, officers and enlisted men. On week days, there were normally two Philippine Air Force enlisted men on duty. At night and on weekends, there was ordinarily only one.

5. Among my duties as Senior Director Technician was the maintenance of the United States Air Force log book at Wallace. I have reviewed the attached xeroxed copy of the log entry for 21 August 1983 and recognize it as being in my own handwritting. The time entries in the log book are in so-called "ZULU Time,"

that is Greenwich Mean Time. The actual local time in the Philippines was eight hours later.

6. In the fifth line for the entry at 0340 on 21 August 1983 in the log book, there is a notation "(Aquino)". I have been informed that entry is made with a green felt pen. I did not make that entry and do not know who did. The United States Air Force used a strict color coding for log book entries at Wallace. Green entries were not authorized under this system.

7. On August 21, 1983, I reported to duty at 0730 and went off duty at 1530. When I entered on duty, the only Philippine Air Force personnel present was the enlisted man normally present on Sundays. Sometime during the course of the morning, two Philippine Air Force officers and two additional enlisted men entered the "dark room." The Philippine Senior Controller--a Captain whose name I do not recall--asked the United States Air Force Senior Director, Captain Marion Black, for the use of two radar scopes and four UHF radio frequencies to run a mission. Captain Black initially assigned the Philippine Senior Controller two scopes and four UHF frequencies.

7. At this point I asked the Philippine Senior Controller for information on their mission. He said that the mission was an intercept and gave me the call signs of two F-5 aircraft. Because it was highly unusual in my experience for the Philippine Air Force to fly on Sunday, I asked the Senior Controller for additional information. He told me that the intercept had been directed by the Philippine Air Defense Control Center at Villamor Air Base, known as "Arrow," and that was all he could or would tell me. I advised Captain Black that we should not permit the use of the radar scopes until we had more information. Captain Black immediately revoked his previous permission to use the radar scopes and frequencies.

8. I then contacted the Director of Operations at Wallace, Major Paul Townsend. Major Townsend was not on duty that day. I do not recall whether I contacted him by telephone or radio. Major

Townsend was, however, on base and reported promptly to the operations room.

9. Major Townsend asked the Philippine Senior Controller to explain the nature of their mission. The Philippine Senior Controller, before answering, called Arrow and conducted a conversation in Tagolog. At the end of that conversation, he informed Major Townsend that the Philippine Air Force had orders to intercept a civilian aircraft and to force it to land at a Philippine Air Force Base, whether it wanted to or not.

10. Major Townsend then called the United States Air Force Senior Director at Arrow. Major Townsend indicated that the United States Air Force Senior Director at Arrow had been unable to determine from the Philippine Air Force there what was going on. Major Townsend indicated that, after the discussion with the United States Air Force Senior Director at Arrow, they had decided to allow the Philippine Air Force to use the radar scopes and frequencies at Wallace. He further indicated that the United States Air Force would disavow any involvement or responsibility for the intercept.

11. The Philippine Air Force Controllers then assumed their positions at the two radar scopes. They were there for approximately one to two hours. During that time, two Philippine Air Force F-5 aircraft were scrambled and placed on combat air patrol somewhere over the South China Sea just northwest of the Island of Luzon. This was unusual because it was only the second time, during my one year tour, that I had seen the PAF scramble alert aircraft other than during an exercise.

12. I was told by one of the Philippine Air Force weapons controllers (a Captain of the Philippine Air Force whose name I do not recall) that the flight they were attempting to intercept was enroute from Hong Kong to Manila. He told me at the time the flight number and name of the airlines and expected time of intercept. I do not remember this information except that it was not an American flag carrier involved.

13. Somewhat later in the day, the Philippine Air Force personnel at Wallace were informed that the airliner they had been looking

for had landed in Manila and that their fighters could return to base. The Philippine Air Force Controller told me that they had never seen the target airliner on the radar scopes. I had no further discussions on this subject with anyone in the Philippine Air Force.

WENDELL A. AUSTIN

Subscribed and sworn to before me this 21st day of August 1985 at Arlington, Virginia.

NOTARY PUBLIC

My commission expires 21 January 1989

AFFIDAVIT

I, Michael B. Etzler, being duly sworn, depose and say:

1. I am 29 years old and a First Lieutenant in the United States Air Force (USAF). I have been in the Air Force for ten and a half years and was commissioned in September 1982. I subsequently received training as a Weapons Controller and was later assigned to Wallace Air Station in the Philippines for my first commissioned duty assignment in March 1983. I departed the Philippines in March 1984.

2. Wallace Air Station is one of four Air Defense Direction Centers (ADDC) in the Philippines. The other three are manned exclusively by Philippine Air Force (PAF) personnel. Wallace has about 14 radar scopes in what is known as the "dark room." These radar scopes are sometimes used by Philippine Air Force personnel. On weekdays the Wallace ADDC is manned by about 15-20 USAF and one or two PAF personnel. On weekends ordinarily only one PAF enlisted man is present and a reduced crew of from five to seven USAF personnel are on duty.

3. Air Defense instructions are issued from the Philippine Air Defense Control Center (PADCC) at Villamor (code named Arrow) and the Air Defense Centers support Air Defense by maintaining surveillance of their assigned area within the Philippine Air Defense Identification Zone (PADIZ). It was our function at Wallace to track and monitor aircraft in our area and for training purposes to control USAF aircraft and occasionally PAF aircraft. Additionally, we were responsible for controlling USAF aircraft intercepts of unidentified or unknown aircraft.

4. It was a routine matter for Philippine Air Force personnel to [illegible] of our scopes. This could happen two to three times a week while the PAF was running training missions of PAF aircraft in the area.

5. On 21 August 1983, the crew I was on reported for duty about 7 AM as usual. Other USAF personnel on duty that day were Captain

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Black, the Senior Director, and T/Sgt Wendell Austin. It was a slow weekend. The USAF aircraft were not training on that Sunday. Our primary responsibility was to be ready to respond should our support or assistance be required.

6. About 1100 local time that morning, Major Farolan, the Philippine Air Force Commander at Wallace, Captain Bandong, the PAF Director of Operations, Captain Bibon, a PAF Air Controller and three or four other Philippine Air Force personnel came to the dark room and asked permission to use two of our scopes and at least two frequencies, possibly more. I was playing cards with some of the other crew members at the time and said "sure" hardly bothering to look up. When I did look up and see the number of PAF personnel who were there, I became concerned that something very unusual was going on, especially since Major Farolan was present. All of the PAF personnel were in uniform which was unusual for a weekend at Wallace. Except for exercises we never saw that many PAF personnel in the dark room and certainly never on a Sunday.

7. I sent someone to fetch Captain Black who was in the break room at the time. He appeared immediately and told the PAF personnel who were already setting up their equipment to stand by. Captain Black was attempting to find out what was going on but apparently without success. Someone placed a call to the PADCC at Villamor in an attempt to find out what was going on. He did not have any luck either.

8. At about this time Major Townsend appeared. On that day Major Townsend was our Director of Operations but not on duty in the facility; rather he was on call with a portable radio. I believe that Major Townsend and Captain Black discussed the situation with Major Farolan and perhaps some of the other PAF officers. I did not hear their conversation.

9. At about this time a US airman operating the surveillance radar and another airman manning the plotting board began to plot an incoming aircraft which appeared to be at the place and time sought by the PAF. This action was at our initiative and was not

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requested by or coordinated with the PAF. At about the same time apparently the PAF aircraft were launched to intercept the targeted aircraft. A short time later the USAF airman stopped plotting the course of the detected aircraft. I do not know if it was because it was lost on the screen or at the direction of Major Townsend on the basis that we did not really know what was going on and the PAF had requested no assistance. It was still possible for the PAF personnel manning the radar scopes to track the aircraft on their scopes. The PAF also had its own plotter but my memory is he was never asked to make any entries on the plotting board.

10. I heard bits and pieces of conversation of the Philippine Air Force personnel on duty that day. These conversations led me to believe that they were looking for a private, non-commercial aircraft. I also heard one of the Philippine officers, possibly Captain Bibon although I cannot be sure, say that the aircraft must land at Basa whether it wanted to or not and that in no circumstances could it be allowed to land in Manila. The Filipino's seemed unusually serious throughout this situation. They were uncharacteristically uncommunicative.

11. I have examined a copy of the Wallace log for 21 August 1983, and I am told that the entry at 0340Z contains the word "(Aquino)" written in a green felt pen. This is highly unusual as our standard operating procedure required that all entries be made in black ink. I do not recall ever seeing the entry before. Had it been in the log during my tour of duty at Wallace I am reasonably certain that I would have noticed it.

Michael B. Etzler
MICHAEL B. ETZLER

Subscribed and sworn to before me this 21st day of August 1985 at Arlington, Virginia.

Charles R. Nixon II
NOTARY PUBLIC
My commission expires: 21 January 1989

Mr. KELLY. Third, sir, I would like to briefly state that Wallace Air Force Station is a joint operation of the United States and Philippine Air Force within the context of the Military Bases Agreement and its amendments and reviews that have taken place over the years. There are numerous American and even greater numbers of Philippine personnel assigned to Wallace Air Force Station. The equipment is United States owned and United States maintained, but this is one of four Philippine air defense control centers, of which three are operated solely by the Philippine Air Force, and this one is a joint operation.

In day-to-day practice—and this is something that has gone on for many, many years—both the Philippine and American personnel use the same radar equipment. The Philippine personnel use the equipment for Philippine military responsibilities and Philippine military aircraft, and the Philippine Air Force has the responsibility for the air defense of that country. United States Air Force personnel use the same equipment on a day-to-day basis for direction and control of United States military aircraft in their operations in and around the Philippines.

We can get into much more detail, sir, if you like in further questioning.

I would also like to say, sir, that I do not believe that lack of controls at the United States facility contributed to the use by the Philippine Air Force personnel. These are the same personnel who are there every day using this equipment. However, it was a Sunday morning. It was an unusual situation, and it was so noted by the U.S. Air Force personnel to have these people at the controls looking for aircraft and running air intercepts. It was an unusual event for that Sunday. Our people noted it, and this is attested to in the affidavits I have brought to the subcommittee.

Finally, sir, I would state that higher U.S. military officials did not know that Senator Aquino would be assassinated before that tragic event took place. There is no evidence that I am aware of to the contrary, and I am confident that U.S. military officers of any rank did not know that that event was going to take place before it happened, and would have certainly brought it to the attention of higher authority, had they known about it.

With that, sir, I would very briefly paraphrase the statement in response to your letter inviting our participation. We at the Department of Defense do regard the situation in the Philippines to be a most serious problem in East Asia, and I am pleased to have this opportunity to discuss United States defense policy for the Philippines which we have developed in close consultation with Members of both houses.

Mr. DELLUMS. Would the gentleman suspend for just a moment?

Mr. KELLY. Yes, sir.

[Pause.]

Mr. DELLUMS. Please proceed.

Mr. KELLY. The Philippines, as 1985 concludes, finds itself with an uncertain political future; elections recently announced for February 7; serious economic problems; and a growing Communist insurgency. Friends of the Philippines are concerned for the future.

Our growing attention to events within the Philippines too often concentrates exclusively on our defense facilities within the is-

lands. These facilities are extremely important to the United States, and, in our view, no less important to Philippine national security. They are also important to other friends and allies in the region who regard our presence as a reassuring counterbalance to growing Soviet naval and air capabilities at Cam Ranh Bay in Vietnam and throughout the Pacific.

Our alliance with the Philippines is not, however, limited to a defense relationship. It is derived from a broader, special relationship that has developed between our countries over many years. The United States has a shared historical experience, common belief in basic democratic values, and important links of immigration, trade, and culture with the Philippines that are not only unique for the United States—the Philippines being our only former colony—but unique among the relations of former colonial powers with their former colonies.

Filipinos still look first to the United States as a model for many ideals and elements of political and economic behavior and as their country of first choice for graduate education, and to some, for immigration. "Loss of the Philippines to communism"—I put that phrase in quotations because we do not necessarily believe it would occur; but if it did, it would be a serious political issue in the United States and would be seen abroad as a disillusioning repudiation of the American model and American assistance. The adverse strategic implications, in an Asian/Pacific context, would be most serious.

For these reasons, the United States is encouraging the Philippines to reinvigorate its democratic institutions, revitalize its economy, and reform its armed forces. We believe that continued operation of our facilities does not conflict with these efforts, but in fact complements them.

Our defense policy in the Philippines, however, necessarily focuses on the bases: Subic Bay is our largest and most important naval base outside the United States. Clark and Subic support our widening commitments all along the Asian littoral, including our security commitments in Korea and Japan and our important national interests in the Persian Gulf. The geostrategic location of the Philippines is unsurpassed with regard to meeting these national security commitments. And I would include by our radar stations in the Philippines that are operated with the Philippine Air Force.

United States facilities at Clark Air Base and Subic Bay offset the growing Soviet presence at Cam Ranh Bay and, as a consequence, preserve the stability of Southeast Asia by securing the vital South China Sea lanes against the ever increasing Soviet threat. The Soviet military base at Cam Ranh Bay is now the largest Soviet forward deployment base and staging facility outside the Soviet Union. The Soviets have invested heavily in new and improved airfield and port facilities, indicating that they intend a long presence. Approximately 30 naval units operate daily in the South China Sea, including surface combatants, conventional and nuclear powered submarines, and naval auxiliaries. Soviet long-range TU-95 BEAR reconnaissance aircraft maintain a constant presence at Cam Ranh Bay and are periodically detected operating over sea lanes in the South China and Philippine Seas.

TU-16 Badger bombers and MIG-23 fighters also operate from Cam Ranh Bay. Operating from their bases in Vietnam, Soviet air and naval forces could strike United States military units and facilities in the Pacific as well as interdict sea lines of communication in the South China Sea and between the Pacific and Indian Ocean.

Finally, the facilities guarantee the external security of the Philippines and represent our most important contribution to the United States-Philippine Mutual Defense Treaty. The beginnings of our defense relationship with the Philippines can be traced to the initial basing agreement that was signed in March 1947. The term of this arrangement extended for 99 years and provided for free and unhampered access to all of the facilities, including Clark and Subic, free of rent.

Since 1947, the basic agreement has been amended 42 times. In 1966, the term of the arrangement was reduced from 99 to 25 years. At the expiration of this 25-year period in 1991, the term would become indefinite, with either side having the option to terminate upon 1 year's notice.

Under the 1979 amendments, the bases became Philippine territory that encompassed reduced size United States defense facilities. Perimeter security of the bases was assigned to Philippine base commanders; the United States retained unhampered access; a security assistance package was negotiated; and the United States consented to reviews of the agreement every 5 years. The most recent review in 1983 provided for our continued access and increased security assistance for the Philippines. The next negotiation is scheduled for 1988.

The importance of the bases to the security of the islands is well understood by Filipinos. All postwar Philippine Governments, including the present one, have supported the bases.

Moreover, every reputable public opinion survey has evidenced an acceptance of the bases by the majority of the Philippine people. This high level of acceptance represents a fundamental recognition by Filipinos that U.S. access to the facilities benefits both nations. Economic factors may also influence this high approval rating—for, in fact, the bases are the second largest employer in the Philippines and contribute an estimated $300 million to the Philippine economy each year.

As a consequence of this broad support, we are confident that both the Philippine Government—irrespective of the outcome of next February's election—and the Philippine people will welcome the continued operation of the facilities until and beyond 1991. In view of this widespread support and because there are no attractive alternatives, I would like to state clearly and for the record that currently we are not planning to relocate our facilities from the Philippines.

Consequently, we have submitted military construction budgets that are consistent with such a tenure. The cost of projects to be requested over the next several years, as projected in Air Force and Navy planning documents, will be only a portion of the erroneously reported $1.3 billion that has been referenced in recent press stories. The cost to stay in the Philippines will be modest when compared to the billions of dollars that would be required for a re-

location, not to mention the accompanying reductions in operational capabilities and increased hardships to our servicemen and servicewomen.

We have, of course, examined alternative locations, and that evaluation is ongoing. These efforts are not sudden or recent. Basing rights have been a consideration in our Pacific island trusteeship negotiations and resulting Compact of Free Association for more than 15 years. In 1983, the Congress approved a leasing arrangement for 18,000 acres in the Northern Marianas, primarily on the island of Tinian. These areas, as well as our current bases in Japan, Korea, and Guam do offer alternatives to our facilities in the Philippines. But it is important to understand that none of these options, singularly or in combination, provide the advantages we now enjoy in the Philippines.

The prospects for a continued United States presence in the Philippines would, of course, change drastically if the Communists were to gain power. Although we do not predict such a turn, a Communist government in Manila, or even a leftist coalition government dominated by the Communists, would undoubtedly seek to end U.S. access to the facilities and welcome the resultant damage to our interests in Asia.

To forestall this outcome, we have reoriented our security assistance programs to the armed forces of the Philippines, to support Philippine efforts to counteract the growing internal threat. The twin objectives of our assistance are, first, to help the AFP, the armed forces of the Philippines, restore its professionalism and its position as protector and defender of the Philippine nation and, second, to provide the AFP the wherewithal to fight the Communist New People's Army [NPA].

We recognize that military hardware alone will not be sufficient to defeat the insurgents. There are political, social, and economic reforms needed. Equally necessary is that the AFP must be reformed. Discipline must improve; training must be reemphasized; procurement practices must be streamlined; and, above all, strong, professional military leadership must emerge. Our security assistance seeks to respond to all of these requirements.

With regard to AFP leadership, our security assistance program not only provides materiel, but also reassures those dedicated, patriotic officers who want to see the armed forces restored to their former effectiveness that we, the United States, will support a professional military establishment. This solid cadre of professional officers is capable of correcting the internal problems of the Philippine military and aggressively pursuing a successful counterinsurgency strategy.

In this regard, we applaud the intention of President Marcos to reorganize the AFP, which we trust will facilitate the emergence of a new, vigorous professional leadership. It is our judgment, however, that the return early this week of Gen. Fabian Ver as chief of staff will unavoidably handicap reorganization and reform. Although General Ver has been acquitted of any involvement in the Aquino assassination, he does bear command responsibility for that failure of security.

Although the decline of the AFP occurred over 10 years, a process that was well underway before General Ver became chief of

staff, there is a strong perception, fairly or unfairly, that General Ver failed to arrest the deterioration and, in fact, contributed to the politicization of the AFP and the decline of professionalism. It is not for the United States to prescribe the steps that are necessary to implement reforms within the AFP. Nevertheless, it should be clear to anyone that overstaying generals who fail to meet the highest standards of professionalism and patriotic dedication to duty should not be extended on active duty.

In conclusion, Mr. Chairman, I cannot emphasize too strongly the important contribution of our defense facilities in the Philippines to our vital national interests in Asia. We are convinced that the prospects for continued unhampered access to these facilities are excellent, even beyond 1991. Access to our facilities is best preserved, we believe, by supporting larger United States interests in Philippine democracy, and democratic institutions.

To provide the necessary environment of peace and order, effective military forces are also needed. For this reason, our defense policy has been shaped in such a way as to encourage reform within the Philippine defense establishment and to provide the AFP with appropriate assistance to defeat an armed Communist insurgency that, if victorious, would destroy democracy within the Philippines.

Thank you, sir, for your attention.

[The statement of Mr. Kelly follows:]

PREPARED STATEMENT OF JAMES A. KELLY

Mr. Chairman, I appreciate the subcommittee's interest in the situation in the Philippines. We in the Department of Defense regard this situation to be our most serious problem in East Asia, and consequently I am pleased to have this opportunity to discuss United States defense policy, which we have developed in close consultation with Members of both Houses of the Congress.

The Philippines, as 1985 concludes, finds itself with an uncertain political future; elections recently announced for February 7; serious economic problems; and a growing Communist insurgency. Friends of the Philippines are concerned for the future.

Our growing attention to events within the Philippines too often concentrates exclusively on our defense facilities within the islands. These facilities are extremely important to the United States, and, in our view, no less important to Philippine national security. They are also important to other friends and allies in the region who regard our presence as a reassuring counter balance to growing Soviet naval and air capabilities at Cam Ranh Bay in Vietnam.

Our alliance with the Philippines is not, however, limited to a defense relationship. It is derived from a broader, special relationship that has developed between our countries over many years. The United States has a shared historical experience, common belief in basic democratic values, and important links of immigration, trade, and culture with the Philippines that are not only unique for the United States—the Philippines being our only former colony—but unique among the relations of former colonial powers with their former colonies. Filipinos still look first to the United States as a model for many ideals and elements of political and economic behavior and as their country of first choice for graduate education, and to some, for immigration. "Loss of the Philippines to communism" would be a serious political issue in the United States and would be seen abroad as a disillusioning repudiation of the American model and American assistance. The adverse strategic implications, in an Asian/Pacific context, would be most serious.

For these reasons, the United States is encouraging the Philippines to reinvigorate its democratic institutions, revitalize its economy, and reform its armed forces. We believe that continued operation of our facilities does not conflict with these efforts, but in fact complements them.

IMPORTANCE OF U.S. ACCESS TO THE FACILITIES

Our defense policy in the Philippines, however, necessarily focuses on the bases. Subic Bay is our largest and most important naval base outside the United States. Clark is an air base of major importance. Both facilities support our wide ranging commitments all along the Asian littoral, including our security commitments to Korea and Japan and our important national interests in the Persian Gulf. The geostrategic location of the Philippines is unsurpassed with regard to meeting these national security commitments.

The United States naval facilities in the Philippines have a current plant value totaling more than $1.1 billion. The shops, dry docks, cranes, and major industrial capabilities at the naval ship repair facility provide dedicated support to our 7th Fleet, averaging repairs to 250 ships per year. This may be compared with an average of 100 ships per year repaired at Yokosuka, Japan, and 25 at Guam. The cost of the trained and experienced Filipino labor force is about one-third the cost of labor at Yokosuka, and one-fifth that at Guam.

Training facilities in the Philippines receive heavy use; approximately 6,000 hours of live-fire training were conducted there during fiscal year 1985. This requires uninhabited areas that are particularly hard to find. The Crow Valley aircraft weapons range (near Clark) alone accommodated thousands of hours of use by United States Air Force units from throughout the Pacific, the Philippine Air Force, and the air forces of several friendly third countries. This instrumented range is the only one of its size and capability outside the United States and includes areas for conventional weapons, tactical maneuver and electronic warfare training.

United States facilities at Clark Air Base and Subic Bay offset the growing Soviet presence at Cam Ranh Bay and, as a consequence, preserve the stability of Southeast Asia by securing the vital South China Sea lines against the ever increasing Soviet threat. The Soviet military base at Cam Ranh Bay is now the largest Soviet forward deployment base and staging facility outside the Soviet Union. The Soviets have invested heavily in new and improved airfield and port facilities, indicating that they intend a long presence. Approximately 30 naval units operate daily in the South China Sea, including surface combatants, conventional and nuclear powered submarines, and naval auxiliaries. Soviet long-range TU-95 Bear reconnaissance aircraft maintain a constant presence at Cam Ranh Bay and are periodically detected operating over sea lines in the South China and Philippine Seas. TU-16 Badger bombers and Mig-23 fighters also operate from Cam Ranh Bay. Operating from their bases in Vietnam, Soviet air and naval forces could strike United States military units and facilities in the Pacific as well as interdict sea lines of communication in the South China Sea and between the Pacific and Indian Oceans.

Finally, the facilities guarantee the external security of the Philippines and represent our most important contribution to the United States-Philippine Mutual Defense Treaty. The beginnings of our defense relationship with the Philippines can be traced to the initial basing agreement that was signed on March 1947. The term of this arrangement extended for 99 years and provided for free and unhampered access to all of the facilities, including Clark and Subic, free of rent. Since 1947, the basic agreement has been amended 42 times. In 1966, the term of the arrangement was reduced from 99 to 25 years. At the expiration of this 25-year period in 1991, the term would become indefinite, with either side having the option to terminate upon 1 year's notice. Under the 1979 amendments, the bases become Philippine territory that encompassed roll-call size United States defense facilities. Perimeter security of the bases was assigned to Philippine base commanders, the United States retained unhampered access, a security assistance package was negotiated, and the United States consented to reviews of the agreement every 5 years. The most recent review in 1983 provided for our continued access and increased security assistance for the Philippines. The next negotiation is scheduled for 1988.

PROSPECTS FOR CONTINUED OPERATION OF THE FACILITIES

The importance of the bases to the security of the islands is well understood by Filipinos. All postwar Philippine governments, including the present one, have supported the bases. Moreover, every reputable public opinion survey has evidenced an acceptance of the bases by the majority of the Philippine people. This high level of acceptance represents a fundamental recognition by Filipinos that United States access to the facilities benefits both nations. Economic factors may also influence this high approval rating—for, in fact, the bases are the second largest employer in the Philippines and contribute an estimated $300M to the Philippine economy each year.

As a consequence of this broad support, we are confident that both the Philippine Government—irrespective of the outcome of next February's election—and the Philippine people will welcome the continued operation of the facilities through 1991 and beyond. In view of this widespread support and because there are no attractive alternatives, I would like to state clearly and for the record that currently we are not planning to relocate our facilities from the Philippines. Consequently, we have submitted military construction budgets that are consistent with such a tenure. Our proposed construction projects are a mix of operational improvements, enhanced living facilities for our service personnel, and prudent measures to increase the security of the facilities. The cost of projects to be requested over the next several years, as projected in Air Force and Navy planning documents, will be only a portion of the erroneously reported $1.2B that has been referenced in recent press stories. The cost to stay in the Philippines will be modest when compared to the billions of dollars that would be required for a relocation, not to mention the accompanying reductions in operational capabilities and increased hardships to our servicemen and servicewomen.

We have, of course, examined alternative locations, and that evaluation is ongoing. These efforts are not sudden. Basing rights have been a consideration in our Pacific Island trusteeship negotiations and resulting Compact of Free Association for more than 15 years. In 1983, the Congress approved a leasing arrangement for 14,000 acres in the Northern Marianas, primarily on the Island of Tinian. These areas, as well as our current bases in Japan, Korea, and Guam do offer alternatives to our facilities in the Philippines. But it is important to understand that none of these options, singularly or in combination, provide the advantages we now enjoy in the Philippines.

SECURITY OF THE FACILITIES

Our plans to remain in the Philippines are not oblivious to the increasing threat of the insurgency. We are taking prudent actions to increase security on a variety of levels. Our commanders at Clark and Subic are upgrading physical security by emphasizing training in facility security and by closely coordinating with Philippine commanders responsible for perimeter security at the bases. Our military construction program incorporates projects that will increase the physical protection of our personnel and their dependents. The number one priority of our FY 86 security assistance program is equipment that will help the Philippine armed forces perform their security missions more effectively. Finally, on a more general level, the aim of our security assistance program is to develop a professional, combat-effective AFP which, in turn, will help develop an environment of enhanced security that will enable our facilities to operate with reduced threats from terrorism and sabotage.

THREAT OF A COMMUNIST VICTORY

The prospects for a continued US presence in the Philippines would, of course, change dramatically if the Communists were to gain power. Although we do not predict such a turn, a Communist government in Manila, or even a leftist coalition government dominated by the Communists, would undoubtedly seek to end United States access to the facilities and welcome the resultant damage to our interests in Asia.

To forestall this outcome, we have reoriented our security assistance programs to support Philippine efforts to counteract the growing internal threat. The twin objectives of our assistance are, first, to help the AFP restore its professionalism and its position as protector and defender of the Philippine nation and, second, to provide the AFP the wherewithal to fight the Communist New People's Army (NPA).

PROMOTING MILITARY REFORMS

We recognize that military hardware alone will not be sufficient to defeat the insurgents. There are political, social and economic reforms needed. Equally necessary is that the AFP must be reformed. Discipline must improve; training must be reemphasized; procurement practices must be streamlined; and, above all, strong, professional military leadership must emerge. Our security assistance seeks to respond to all of these requirements.

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recting the internal problems of the military and aggressively pursuing a successful counterinsurgency strategy.

In this regard, we applaud the intention of President Marcos to reorganize the AFP, which we trust will facilitate the emergence of a new, vigorous professional leadership. It is our judgment, however, that the return early this week of General Ver as chief of staff will unavoidably handicap reorganization and reform. Although General Ver has been acquitted of any involvement in the Aquino assassination, he does bear command responsibility for that failure of security. Although the decline of the AFP occurred over 10 years, a process that was well underway before General Ver became chief of staff, there is a strong perception, fairly or unfairly, that General Ver failed to arrest the deterioration and, in fact, contributed to the politicization of the AFP and the decline of professionalism. It is not for the United States to prescribe the steps that are necessary to implement reforms within the AFP. Nevertheless, it should be clear to anyone that overstaying generals who fail to meet the highest standards of professionalism and patriotic dedication to duty should not be extended on active duty.

CONCLUSION

In conclusion, Mr. Chairman, I cannot emphasize too strongly the important contribution of our defense facilities in the Philippines to our vital national interests in Asia. We are convinced that the prospects for continued unhampered access to these facilities are excellent, even beyond 1991. Access to our facilities is best preserved, we believe, by supporting larger United States interests in Philippine democracy, and democratic institutions. To provide the necessary environment for peace and order, effective military forces are also needed. For this reason, our defense policy has been shaped in such a way as to encourage reform within the Philippine defense establishment and to provide the AFP with appropriate assistance to defeat the armed Communist insurgency that, if victorious, would destroy democracy within the Philippines.

Mr. DELLUMS. Mr. Secretary, we would like to thank you very much for your opening remarks.

The Chair would note that there is a rollcall vote on Labor-HHS conference report and I am assuming all my colleagues would like to express their support or lack thereof for that particular proposition, and so the subcommittee will recess for 10 minutes.

Mr. DICKINSON. Could I ask one question?

Mr. DELLUMS. The gentleman from Alabama is recognized.

Mr. DICKINSON. How much rent are we proposing to pay, are presently paying the Philippines for these two facilities, and what is projected in the near future? You commented on the fact that it was rent-free initially.

Mr. KELLY. Yes, sir, and it is still technically rent free. However, sir, as a result of the most recent base review in 1983, we did agree and the President did submit a best-efforts letter in which he pledges that the United States Government will support requests to the United States Congress over a period of 5 years for $900 million of assistance to the Philippines. Of that $900 million, $475 million is in economic assistance, and $425 million is requested in the form of military assistance.

Mr. DICKINSON. We had the GAO in here just recently on the same subject.

Mr. KELLY. Yes, sir.

Mr. DICKINSON. And they are trying to establish an audit trail to find out how much of this is going into Marcos' pockets, or his wife's pockets, or Swiss bank accounts, or whatever, because we don't know, and at this point we don't know what happens to the money, do we?

Mr. KELLY. We know very well now, sir, what happens to the money, because over the last year we have instituted some rather stringent controls, so that all of that money now, sir, has to be spent in U.S. contracts issued by the U.S. military establishment, and paid completely within the United States.

The kinds of items being obtained are also subject to extremely close coordination between our military assistance group and the armed forces of the Philippines. There are some situations from earlier years that I could not characterize in that way, but I think the present situation is one that will stand up very well to audit.

Mr. DICKINSON. Thank you.

Mr. DELLUMS. The gentleman from Michigan seeks recognition?

Mr. HERTEL. Yes, Mr. Chairman.

Mr. DELLUMS. The gentleman is recognized for such time as he may consume.

Mr. HERTEL. When did you change the procedures as far as the accounting and how the money must be spent?

Mr. KELLY. We changed the procedures—and this is less in the way of the formal procedures but more in the way of our particular operating—about a year and a half ago. I would say very early in 1984.

Mr. HERTEL. And prior to that you are not sure where the money went?

Mr. KELLY. In the past, Mr. Hertel, the money was provided to support contracts that were let directly to United States firms by the armed forces of the Philippines, and that is a practice that has now been terminated.

Mr. HERTEL. You talked about the unique agreement that we have in relationship with the Philippines, and you talked about the agreement regarding the base being changed so very many times. Specific to what Mr. Schumer brought up earlier today, if there was a situation where the facility, whether it be radar or any other part of the facilities, were being used improperly, clearly in the eyes of the U.S. Government against civilians, against democracy, who is in control? Are we in control? Could we stop the personnel there from misusing that facility?

Mr. KELLY. The nature of this joint operation, in which there are joint crews but different responsibility, makes that, Mr. Hertel, a very hypothetical question. I think, clearly, U.S. personnel would take immediate action, if they saw combat forces being launched, to take hostile action against some unknown target. That, however, because of the very small number of Americans, I think would have to be limited to reporting it immediately to their senior officers.

Mr. HERTEL. And the senior officers then would have the power to stop that type of action being taken?

Mr. KELLY. Sir, the Philippines is a large country. The armed forces of the Philippines exceed our personnel by a very large number, and I don't think we have the power under all circumstances, possibly not under very many circumstances at all, to stop the armed forces of the Philippines if they decide to take some military action.

Mr. HERTEL. So you are saying that because of this joint relationship—are you saying they could use our facilities for actions that we would be opposed to?

Mr. KELLY. They are not our facilities, sir. They are Philippine facilities.

Mr. MONJO. We have base rights on Philippine facilities, sir.

Mr. HERTEL. And so we are not in control of the facilities even though we are paying these dollars?

Mr. KELLY. We are absolutely not in control of all aspects of those facilities. We have unhampered access to our use of the facilities, but our ability to control Philippine use, especially outside of the United States facilities, is limited. However, this gets into very hypothetical questions, where both sides are actively sharing the same equipment. That is a unique situation that you would find at a radar facility. I think we would have the option, for example, of removing the equipment which we own.

Mr. DELLUMS. Would the gentleman yield? We have approximately 7 minutes.

Mr. HERTEL. I thank the chairman.

Mr. DELLUMS. I will certainly be pleased to give the gentleman an opportunity to pursue those questions a little later. The subcommittee will recess for 10 minutes.

[Recess.]

Mr. DELLUMS. The subcommittee will reconvene. Mr. Monjo, we welcome your testimony at this particular point in the proceeding.

STATEMENT OF JOHN MONJO, PRINCIPAL DEPUTY ASSISTANT SECRETARY FOR EAST ASIAN AND PACIFIC AFFAIRS, DEPARTMENT OF STATE

Mr. MONJO. Mr. Chairman, I am very pleased to be here with my colleague Jim Kelly, and I think it is an evidence of the high degree of consensus in the executive branch, and between or among the branches of the Government that I associate myself entirely with what he has said, and he has covered in large part areas that I think together we wanted to touch upon. I will be very brief, then, sir.

There are, in our view, three major problems in the Philippines which interact. There is the problem of the military, the professionalism question, and the fact that there is the New People's Army, a Communist insurgency which, whatever figures we may choose, is growing. The trend has been in a bad direction.

It is a fact that last year they had a negative economic growth rating, to use the term that economists like, of negative 5 percent. This year it will probably be negative 4 percent. Therefore, in a country which is facing problems, there is an economy which is slowing down, and real income to the average person which is declining.

On the political side, particularly precipitated by the murder of Senator Aquino, there is a political situation where the Philippine people have clearly been asking for some changes and some reforms. We see coming up the election for the President and Vice President, which is very important, because it means there will be a team that will be elected together on February 7. This I think

could be quite a watershed. If it is a credible election, whoever may win will have a mandate from the people to deal with some of the many problems they have. Whoever wins is going to have a lot of problems to deal with.

If, on the other hand the election is viewed by Filipinos, by yourselves, ourselves, by the world, as not having been credible, not having been fair, I think there is risk of a serious polarization of the Philippine society into camps, and it would be a very negative development.

Our policy, the U.S. Government policy, which Jim has very well described, has been to put our shoulder to the same wheel as the Philippine body politic. Within the military, there is a strong movement for professionalism. There is even a group of young officers who call themselves the "We Belong Movement." They want a professional military. We have been pushing in the same direction.

In regard to the economy we have joined with the IMF and World Bank to get the economy moving again, to demonopolize areas that have been monopolies, to create a situation where foreign development will flow in again instead of simply standing on the shores as it is now doing. In regard to the election, on the political side, which of course is concentrated on the elections now, we have also been lending our voices to the urging that there be a proper election with a good election commission, with a proper watchdog commission, with access to all forms of the media by whoever may run, and a whole series of steps which will tend to guarantee a decent election.

Indeed, if one looks back, we have had some degree of success. The 1984 parliamentary elections were considered reasonably good ones. On the economic side the Philippines has signed up, has an agreement with the IMF which is beginning to stabilize the economy, and as I noted on the military side, you see moves to reprofessionalize and to deal with the question of military abuses which take place largely out in the countryside far from the centers of authority. This has been our policy.

I would add that we believe that we have a Philippine policy, not a policy that supports or tries to pull down any one person or any one government. We are pushing for the strengthening of the institutions, and despite the many expressions of concern that we all are involved in, I would note that unlike some of the countries that we sometimes see the Philippines compared to, the Philippines is a country that in part, thanks to us, has a history of democracy, has democratic traditions.

We see that people come out to vote there—an 85 percent voting rate in 1984, which is quite admirable. We see their dedication to the democratic process. They have a highly educated population. They have a moderate religion. They are moderate Catholics, most of them, so there are many strengths in the country which I think we can work with. And when Jim was speaking of the special relationship we have, we are not only allies but these days we are cousins.

There are a million either Filipinos or Philippine-Americans in this country, and a large number of Americans in the Philippines, so that you find familial ties as well as ties of friendship and business relationship.

I would end on that note, sir, as I know there are many, many questions you will wish to raise.

[The statement of Mr. Monjo follows:]

PREPARED STATEMENT OF JOHN C. MONJO

Mr. Chairman, I am pleased to have this opportunity to meet with you and other members of the Subcommittee to discuss the current situation in the Philippines and its potential impact on vital longstanding United States interests there. I believe that a hearing such as this is an indispensable part of our continuing dialogue with the Congress to ensure effective cooperation between the Executive and Legislative branches in addressing a serious foreign policy challenge for the United States.

The Philippines, an old friend and key Pacific ally, is in the grip of its severest crisis since the attainment of independence in 1946. A pernicious combination of deep-seated economic difficulties, a loss of political confidence and escalating security problems pose a direct, long-term threat to the stability and well-being of that country. A ruthless and increasingly powerful communist insurgency seeks to exploit these problems, which compound one another.

The United States has interests of immense importance in the Philippines which are being put increasingly at risk. However, it is not just our interests alone that are at stake. The failure of a democratic solution and a communist takeover in the Philippines would threaten the stability of the entire East Asian region and the many countries in it which have so successfully directed their efforts in recent years towards economic development. Most importantly, it would be a devastating blow to the Philippine people themselves, and would end their hopes for democracy.

AMERICAN INTERESTS

Mr. Chairman, the members of this Subcommittee are well aware of our strategic stake in the Philippines as most prominently represented by the United States military facilities at Subic Bay Naval Base and Clark Air Base. My colleague from Defense, Deputy Assistant Secretary Jim Kelly, has already outlined the crucial role these facilities play in supporting our forward deployment in both the Pacific and Indian Ocean basins and offsetting the expanded Soviet military presence in Asia.

I want to stress that our interests in the bases and our interest in democratic reform are complementary, not mutually exclusive. We welcome democratic reform because we are convinced that it is essential to thwart a communist victory that would end at one stroke both our hopes for democracy in the Philippines and our access to these vital facilities.

Our strategic interest in the Philippines stems from a broader, special relationship that embraces a wide range of important American interests including:

A democratic, stable and dynamically growing Philippines. The United States has a unique relationship with the Philippines based on shared historical experience, common belief in basic democratic values, and important links of immigration, trade and culture. We have been a key partner to the development of democracy in the Philippines and we have a profound stake in its success.

Prevention of a communist takeover. A communist triumph would shatter all aspirations for democracy in the Philippines and inflict suffering on the Filipino people that would make the present situation, with all its flaws, look good by comparison.

Effective regional cooperation in Southeast Asia. Regionally, a vigorous ASEAN that includes a prosperous Philippines allied to the United States is an essential barrier to communist pressure in Southeast Asia and a model of what economic freedom and democratic progress can achieve.

UNITED STATES POLICY

United States policy with respect to the Philippines is clear. We aim to promote peaceful change through the revitalization of basic institutions which will enable the country to cope with its multiple problems. Our objective is to secure a strong, stable, economically vibrant and democratically-oriented Philippines.

We recognize that there are many impediments to a successful program to revitalize the Philippine Government and to turn around the escalating communist insurgency. We have concentrated our efforts for reform in three areas—political, economic and military—each of which can contribute significantly to the rebuilding of

institutions, stopping the spreading of the insurgency and creating a positive climate for the protection of our interests.

In our efforts to encourage positive change we have not sought to manufacture our own solutions. Instead we have supported a constructive Philippine agenda, one that is being pursued energetically by responsible, politically active elements of Philippine society. The crisis in the Philippines is not just a United States problem. In fact it is not even primarily a United States problem. For solutions to be workable, they must be arrived at by Filipinos, as the problems are Philippine problems.

Nevertheless, our deep ties, our important mutual interests and the expectations of the Philippine people themselves all require that we help in every way consistent with our role as a friend and ally.

RECENT DEVELOPMENTS

Thus far progress towards reform has been slow and uncertain. An IMF program and a debt rescheduling agreement have been negotiated. A national assembly election in May 1984 which Filipinos overall found to be positive helped to loosen up the political system. Military commanders take the insurgency more seriously than previously. But overall the difficulties plaguing the Philippines are more serious than they were two years ago.

President Marcos' surprise announcement last month calling for an early presidential election, including the selection of a vice president, opens up the possibility of a major breakthrough in improving the Philippine situation. Preparations are well underway now between both the government party and the opposition to present their case to the Filipino people February 7.

At the same time, President Marcos' willingness to submit himself to the test of a fair electoral process has raised the stakes, for a failure of the electoral process would be a major setback and a serious blow to prospects for stability. If Filipinos in the end do not see the presidential poll as a reasonably democratic exercise, such a perception will lead to the increased polarization of Philippine society, a deepening of the present crisis and further growth of the communist insurgency.

However, elections, even credible ones, are not a panacea. There will still be a need to make tough budgetary choices and implement difficult economic reforms no matter who wins at the polls. There will still be a pressing need to improve the effectiveness of the Philippine armed forces to come to grips with the communist insurgency, no matter who triumphs next February. The momentum of reform must be increased, and an election will be valuable if it helps to do this. But an election will not be helpful if it encourages the continuation of business as usual attitudes or fosters the illusion that the communist danger will disappear on its own.

FREE AND FAIR ELECTIONS

We believe that open, fair and credible elections offer the best prescription for getting the Philippines back on its feet. Confidence in the electoral process will not only spark the revival of democratic institutions. It can also set the stage for fundamental improvements in other key areas as well. It can be a large step toward renewed economic vitality, can help refurbish the professional reputation of the Philippine military and can serve as the cornerstone of an effective counterinsurgency program by offering the people an alternative to recourse to armed violence to satisfy their aspirations.

However, we recognize that it will take more than public rhetoric for free and fair elections to become a reality. We have made clear, both publicly and privately, to the Philippine leadership that there are a number of components which we regard as essential if the election is to be credible and produce the genuine opportunity for freedom of choice that the Filipino people deserve.

The House and Senate overwhelmingly approved a concurrent resolution last month affirming American interest in a fair election and stipulating conditions which would govern judgments about the electoral process. These conditions are similar to our list of key ingredients for a fair contest at the polls. They include the fairness of the election law, the impartiality of the Commission on Elections (COMELEC), accreditation of a freely functioning citizens election monitoring organization (NAMFREL), the access afforded the opposition to the print media, television and radio and the neutrality of the military during the campaign and vote counting period. The Administration fully shares with the Congress the convictions that led to the adoption of this resolution.

I would note that a private group of United States election experts, including representatives from the staffs of both the Republican and Democratic national committees, is traveling to the Philippines this weekend at the request of the Senate

Foreign Relations Committee to survey preparations for the upcoming presidential election. We will study their report with great interest in reaching our own conclusion about the prospects for a free and fair election.

I would emphasize here that the U.S. focus in the February poll will be on the integrity of the process. We cannot and will not be drawn into a partisan role. We are prepared to do all that is appropriate for us as a concerned ally to support those institutional components such as COMELEC and NAMFREL which are key to the credibility of the electoral process. We also will be prepared to work with any government which is formed as the result of an electoral process that is credible to the majority of Filipinos, and undertakes genuine economic, political and military reform.

The move to conduct a presidential election early next year, 13 months ahead of schedule, follows some earlier steps taken in 1983 and 1984 to broaden the political process, including: Changes in the presidential succession machinery; increased freedom of the press; rise of a citizen's movement for free elections; the much fairer and more open parliamentary elections of the spring of 1984; and the Agrava Board's impartial investigation of the Aquino assassination.

Meanwhile, local elections also remain scheduled for May, 1986.

In contrast to the positive trend represented by these developments, particularly the exemplary work of the Agrava Board, the Aquino trial court issued its verdict earlier this week absolving all 26 charged in the assassination of former senator Benigno S. Aquino. The key issue at this juncture is the perception of the Philippine people as to whether justice has been done. Foreign observers have their views, but in the end only the Filipinos themselves can make that determination.

We note in this regard the reaction of Cardinal Sin, the Catholic primate of the Philippines, who stated "An historic opportunity to restore the credibility of the government and satisfy our people's aspirations for truth and justice was lost." Additionally, however, he cautioned Filipinos not to be carried away by emotions and urged people to vote in the upcoming presidential election, saying "the positive and democratic means for the expression of this judgement is at hand, mainly through the ballot".

The U.S. position since the Aquino murder has been that those responsible for this political assassination, no matter who they are, be held accountable and punished to the fullest extent of the law. Frankly, we find it difficult to reconcile the findings of the Agrava Board, which after a year of thorough deliberations refuted the government's contention that Aquino's assassination was the work of a lone communist gunman, with the outcome of this trial. At a minimum, the trial verdict will make more difficult the task of restoring public confidence in the government.

ECONOMIC SITUATION AND ECONOMIC REFORM

The financial crisis of 1983 has led to two successive years of negative growth of the Philippine economy. In 1984 the Philippine GNP declined by 5.5 percent. Although final figures for 1985 are not yet available, we estimate that this year will end with a decrease of between 3 and 5 percent.

Nevertheless, during this year the Philippine Government has made some headway in laying the groundwork for an economic recovery as a result of a comprehensive stabilization program. Inflation is down from 60 percent in late 1984 to less than 10 percent today. Official and commercial external debt has been rescheduled, and debt service appears manageable. Both the current account and balance of payments have shown marked improvement. Dollar reserves are up from $900 million at the beginning of the year to about $1.5 billion now.

Nonetheless, the situation remains fragile because of a persistent lack of confidence in the economy's medium-to-long term prospects on the part of both domestic financial institutions and Filipino investors. Furthermore, a slight, further decline in export prices for Philippine products or a small increase in the prices of essential imports, such as oil, could put an end to the modest signs of recovery.

We have been engaged this year in a frank dialogue with the Philippine Government concerning fundamental reforms which can lead directly to reviving the economic energies and potential of the country. Given the Philippines natural resources, excellent labor force and its capable technocrats and professional class, there is no inherent economic reason, given the proper policy changes, why the Philippines cannot parallel the high rates of growth elsewhere in Asia.

Through our bilateral aid programs and through our representatives in the IMF and other international financial institutions, we have lent our strong support to the current financial stabilization program and longer-term structural reforms.

Both are absolutely essential, along with restored political confidence, if a renewal of sustained economic growth is to be achieved.

Responding to Philippine efforts to reintroduce market forces and fair competition in key agricultural commodities—rice, wheat, flour, and fertilizer—we provided effective readjustment incentives through the signature last summer of a PL-480 title I agreement for $40 million in United States agricultural commodities. The self-help provisions of that agreement provide for the revival of market forces in these areas, previously subject to administrative controls and government monopolies.

Although some initial steps have been taken to implement these reforms, serious questions remain about the Government's intent to establish competitive market conditions for these commodities. The level of our economic assistance will be influenced strongly by the implementation record for these as well as other basic reform measures.

The attitude of the private sector is also a critical factor for economic recovery. Continued bank lending and trade financing are both dependent upon the Philippines remaining in satisfactory compliance with IMF guidelines. Much-needed investment, both domestic and foreign, is inhibited by an investment climate which investors perceive to be unstable. American investors observe that Filipino entrepreneurs are not themselves investing at this time as they await a return of political confidence and improved government economic policies. These factors are known to the political and economic leadership of the Philippines and provide a powerful incentive for attention to an agenda of reform which we can support.

THE MILITARY SITUATION AND MILITARY REFORM

The current trends in the military situation in the Philippines are disturbing. The CPP (Communist Party of the Philippines) and its military arm the NPA (New People's Army) continue to grow in size and capabilities in all the major regions of the country. Expanding NPA presence and influence have become particularly apparent this year in the south central Philippines (the Visayas) and in provinces near the capital of Manila. Communist political proselytizing, through front organizations such as the National Democratic Front, taxation, and assassination of local officials is on the increase. The Armed Forces of the Philippines (AFP) has registered a number of tactical successes in local encounters with the NPA, but these limited victories have not had a significant impact in slowing the momentum of the insurgency as a whole.

Nevertheless, in 1985 the government leadership and the military establishment have demonstrated an increased awareness of the seriousness of the insurgent challenge and have taken steps to deal with it more directly.

Important elements of the AFP leadership have sought to restore the confidence of the Philippine people in their armed forces by returning to the basic military values of discipline and service. They have publicly acknowledged that the military has become afflicted in the words of one prominent Philippine military spokesman with arrogance, abuse of authority, laziness and corruption."

The United States welcomes this increased Philippine Government attention to combating the insurgency and the recognition that rebuilding the professionalism of the armed forces will be essential to that effort. However, we believe that much more progress is needed if the military is to develop the capability to counter the insurgent military threat and begin the difficult process of regaining the confidence and support of the Philippine people.

As concerned civilian and military figures in the Philippines have noted in public and private, a significant impediment to military reform is continuing problems in the area of military leadership. The lack of opportunities for upward mobility and accountability for incompetence, corruption and misuse of authority have tarnished the reputation of the AFP and demoralized the many patriotic and dedicated officers at lower levels.

President Marcos has indicated recently his intention to conduct a major reform of the Philippine military leadership. Such reform is long overdue. If it is properly implemented, it would be a major step forward in restoring professionalism to the armed forces of the Philippines and enhancing their capabilities. How the recent reinstatement of General Ver as Chief of Staff of the AFP squares with Marcos' professed desire to initiate serious reforms in the Philippines is a question only he can answer.

We think that it is too soon to draw any firm conclusions about the effect of General Ver's reappointment on the prospects for military reform. Suffice to say at this point that a process is underway which we will better be able to assess in the days

ahead. We are keeping the congressional leadership informed of this situation and are exchanging views.

CONCLUSION

Our role, as a friend and treaty ally, is to assist the Philippines in those measures which will revitalize essential institutions which either the present government or its successor will need to restore political credibility, revive the economy, promote respect for human rights, defeat the communist insurgency and give the public confidence and hope for the future.

In this regard we have maintained and expanded frank and open relations with all responsible elements of the Philippine body politic, and have engaged in a continuing dialogue with the Philippine Government regarding our mutual concerns. Senator Laxalt's visit to Manila in October at the personal behest of the President was a significant part of this ongoing dialogue.

Our Philippine policy has multiple dimensions, all designed to support efforts already underway in that country to restore stability and growth. One indispensable element of this policy is assistance resources, provided by the Congress, some of which fulfill honorable commitments in connection with our military facilities, and all of which enable us to work more effectively for constructive change.

The course of action that we have been following has produced some results. We consider the results inadequate and disappointing, but they have been there. They are real and they represent progress. I think it is important to remember that the object is not simply to be satisfied that we are doing something dramatic. Our purpose is to produce results which improve the present situation.

It should be pointed out that while the situation in the Philippines is one of great concern, it is far from hopeless. The Philippines is blessed with many strengths which can serve as the basis for an early reversal of the current negative trends in that country, provided that appropriate policies are implemented. These strengths include a highly literate, thrifty and hardworking population, an energetic and talented middle class, strong social institutions such as the extended family and the Catholic Church, a decent economic infrastructure and a widespread attachment to basic democratic values.

We remain confident that the Filipino people, with such assistance from us as they think appropriate and we can appropriately provide, can successfully resolve their current problems. Free elections can play a pivotal role here in paving the way for a new era of confidence and progress in the Philippines. Our objective is to work closely in a spirit of friendship and understanding with this important ally to assist with the realization of its democratic potential.

Mr. DELLUMS. Before the Chair yields to the gentleman from Virginia, just one question I would like to ask. There have been a number of comments with respect to this notion of free elections, placing a great deal of emphasis upon that. There is a body of thought in this country that would suggest that there is no way that Mr. Marcos would not be reelected, and that what we really are establishing is a sham situation, when you consider the enormous vehicles that Mr. Marcos has at his disposal to direct the election, that even though we would suggest that the affair, with elaborate transportation of a commission, et cetera, that the bottom line is that it would simply underscore the present regime, and I would like you to comment to that.

If that were indeed the case, what do you think that would portend for the U.S. Government in that part of the world?

Mr. MONJO. Well, let me make several points. One, it is by no means certain in my mind who would win in a free election. There was a poll not so many weeks or months ago by something called the BBC—but it is not the British one; it is the Bishops and Businessmen's Council—which is a fairly independent body, certainly not an organ of the government, and they came out with figures that surprised many Filipinos as to the high degree of popularity

still enjoyed by the President and by the first lady. So I am only suggesting that it is by no means certain who would win.

I would add that I cannot speak yet to the question of whether or not we are going to have a credible election. In 1984, at least in many districts it was considered to have been reasonably monitored and reasonably fair. Cardinal Sin characterized it as the best election since independence. That does not necessarily mean that the 1986 election will be equally well run. For that reason we are pushing for the mechanisms that would assure a reasonably fair election.

In my view, whoever wins that election, if that person were to win in what was generally considered to be a fraudulent election, we are going to have many, many difficulties. The Philippine people themselves I think will be disheartened. You will see a tendency for people in the political center to be very disheartened, and either be polarized or give up.

As Jim has quite correctly pointed out, our interests there are major. They are with the country. They include those major base facilities. We ourselves will be facing a much more difficult situation in how to deal with the Philippines and how to formulate a correct Philippine policy.

Mr. DELLUMS. I appreciate the gentleman's answer. Let me just go at it more specifically. You mentioned the BBC. Their poll stated, if my memory serves me correctly, that approximately 52 percent of the Philippine people who responded thought that Mr. Marcos would indeed win the election. Now, if you couple that majority popularity even at this particular moment with the fact that Mr. Marcos' New Society Party apparently having the only nationwide capacity to develop a campaign, combined with the fact that there is a tremendous patronage system in the Philippines that Mr. Marcos controls—popularity on the one hand, organizational capacity within the framework of his party to establish a national campaign, and in some people's estimation the only national party with the capacity to establish a national campaign—couple that with a patronage system, where is the potential for fair opportunity for all parties in the political process short of a few elite opportunities for people to challenge Mr. Marcos, being in a situation where he could actually be defeated, where it would really be considered a fair situation. Given that enormous advantage, where would the fairness come in?

Mr. MONJO. I certainly don't disagree with your description of the strengths that are at his disposal. I think also one must look at the fact that there are many, many problems facing the Philippines, so that those who may run against him will be able to point to some things that Filipinos might wish to see changed.

Mr. DELLUMS. The point I am making is simply this, that if we can perceive these three advantages, one would assume that the people in the Philippines could also perceive these advantages, and I am saying that if the results—strictly hypothetical—but if the results of the election were to mean a victory for Mr. Marcos, and people out there putting those three points together, if they concluded that it was not a fair and just and open democratic election that gave all parties in the Philippines an opportunity to effectively compete for political influence in the Philippines, what would be

the result of that for us at Subic Bay, at Clark? Would this not simply underscore the notion that the United States has been a dupe in the situation, mousetrapped by our own rhetoric, banging on the table for open elections? If Mr. Marcos agrees to it, we are now mousetrapped into a situation?

Mr. MONJO. Of course, I think we must remember, as close as our relationship is, it is their country. They must be responsible for what evolves in their country. Having said that, let me just make a couple of points.

One, I can't forecast the election, but certainly some very prominent opposition people are being very active in getting themselves put together, so at least at the moment they think there is a horse race to run. We are not finding the opposition saying: "Oh, President Marcos has such advantages that we are just going to wash our hands of it and stay home." So in their view at the moment, at least some Filipinos, a fair number, feel there is a possibility of an election that has meaning.

I would go back to say that whoever wins, if that person appears to have, I can't say it is a level playing field because there are always, as you pointed out, some special strengths that a person who has been in for 20 years has. But if the Filipinos consider it a fair election in their terms, then the people coming in will have some degree of a mandate. If they don't, I think we are going to have a lot of difficulties, simply because the Philippines is going to be having difficulties.

The same poll that you and I were discussing pointed out that only 15 percent of the Philippine people thought that our policies were not for the good of the Philippines. All the rest either said positively they thought they were for the good of the Philippines, or they were neutral, I mean "no opinion" as you get in all polls. So I would suggest that there is a pretty big body of people who may not always agree with what we are doing, but believe that we are trying to do something that is benevolent.

Mr. DELLUMS. I appreciate your response. I certainly don't want to take you out of context, but I am very pleased at one statement that you have made, because frankly the only national political figure that I have heard make the statement in the context of the United States, that it is their country, and I would construe from that that you would agree with me that we should not intervene into the political processes of another country, if we believe that they have the right to self-determination, and if I am to take your remarks seriously, then I applaud that, because I agree with that.

There have been no American national politicians that I know of, or political figures that I know of, that have come down very cleanly in that respect saying that it is their country and that we should not intervene. In fact, I have heard people say: "Well, we should make sure that this kind of government emerges, this kind of government emerges." You can't walk both sides of the street.

If you say that the Philippines belong to the Philippine people, then you cannot intervene, but I hear people saying on the one hand we believe that whatever happens in the Philippines is the Philippine people's right as long as the leadership that emerges is moderate, as long as the leadership that emerges is not left wing, it is not Socialist, not Communist, and as long as they let us maintain

our bases there. But that is walking both sides of the street, and in my estimation is a major contradiction.

If you believe in the democratic principles, if you believe in the right of self-determination, and if you believe in the right of people to take their country where they choose to take it, then we should not be interventionists in that respect. Would you agree with that?

Mr. MONJO. Maybe when you speak of two sides of the street, perhaps I am walking more down the middle and maybe a car is going to hit me.

Mr. DELLUMS. I am not trying to put you personally on the spot.

Mr. MONJO. No; I would say that if by intervention one means improper getting in, backing this one or that, that is one thing. But our alliance with the Philippines and our position and our involvement is so great that what we do or say or don't do and don't say, everything has an effect. It is not really possible for us to totally stand on the side and say we can make ourselves a neutral element.

So what we have been trying to do is to say there are strong elements in the Philippines, both within the government party and outside, that want to revitalize parts of their society. We stand with them. That is not to say that we are trying to vote for one man or one woman, but that where we see things that are not good, we are trying to be involved in a proper way in the strengthening of those. It is a line, I realize.

Mr. DELLUMS. I thank you, Mr. Monjo. There are a number of questions the Chair seeks to ask, but he will yield now to the gentleman from Virginia, Mr. Sisisky, for such time as the gentleman may consume.

Mr. SISISKY. Thank you, Mr. Chairman. I am going to get over a little bit about military construction plans, which this committee is all about.

First I would like to tell you I have been in briefings with the DIA and CIA, and I know the problems that we face, and I want you to know that the administration faces, and I do sympathize and do back what you are doing now, but I must ask these questions.

Mr. Kelly, you had talked about the prospects for continued operations and made a pretty good case, public relations policy, the amount of money going in there, and I think you made the statement: We are confident that both the Philippine Government—irrespective of the outcome of next February's election the Philippine people will welcome the continued operation of these bases.

Then you go on and talk about aid to forestall this outcome, particularly of the Communist New People's Army, you know, that we are supplying funds to the military, so there is some risk, and I do know that there is some risk. Then you go on to say that erroneously reported $1.3 billion in the next 5 years. What is the amount that you will be asking this committee for, because it comes directly to us, and is it a good investment?

Mr. KELLY. Yes, sir, what we will be asking, of course, will be determined in the budget process each year, and therefore I don't think I can tell you for certain what we would be asking for in the budgets, for example, for fiscal year 1987 and then a year later for fiscal year 1988 and 1989. However, I can say, sir, that this year,

fiscal year 1986, we requested $[illegible] million for military construction that included both Clark and Subic, and also family housing at both places, and the number looks as though it is going to come out around $92 million.

Last year we asked, I believe, for $130 million. We expect that requests in the future will be generally along those particular lines. Our 5-year defense plan is entirely consistent with those sorts of numbers, individual base projects and improvements in the housing that we have there.

The $1.3 billion, sir, that has been so widely used apparently was based on a Senate staff member interrogation of the base civil engineers at both Clark and Subic, in which all of their request lists into the indefinite future were listed, and these totaled up to $1.3 billion.

This far exceeds even the 5-year defense plan by a factor of at least two, so that we are not doing any particular or dramatic building of our facilities, and we do not expect to do so, but we do intend to maintain what we have there, sir, and it is very substantial.

Mr. SIMON. I didn't want to ask this question in an open meeting but I have got to do it. The Philippines are friends of ours, we are friends of theirs. It looks to me like we have got a bad deal in leasing these bases. Now, it didn't happen on your watch, and I understand that. Somewhere along the line somebody got the best of us in these deals. If I heard you correctly before we broke, you talked about that we have to share the bases with the Philippine army or air force or whatever it may be, and they have the right to go in.

This is not true in other countries. In other countries that I have been to, the security is on the perimeter but not inside of the bases. You know in 1947 we had a 99-year lease. It was changed [illegible] over that period of years, and now we have got a 5-year deal going on. What happened with our friends? What happened there? The security of the United States certainly is protected but so is the security of the Philippines and all of our friends in that area of the Pacific. What happened?

Mr. KELCH. Well, sir, there are a lot of things in what you suggest. There are 5-year reviews. There are these base affairs letters. I would suggest, sir, that these base affairs are more tied to the needs of the Philippines than to the expense rent for the bases, even though many Filipinos will characterize it otherwise. Our bases in Japan, sir, it would be ridiculous to talk about paying rent for bases in Japan. On the contrary, the Japanese Government invests over $1 billion every year to support the U.S. bases there, and no one ever talks about compromise of the Japanese sovereignty in those cases.

I think, though, sir, that the operation of our bases, even though these are Philippine bases, the U.S. facilities within the Philippine bases remain essentially U.S. military activities in which, as the day-to-day practice, our own people operate their own equipment. The Wallace Air Force Station, because of the particular way it came up, because of these unique events on August 21, 1983, is a strange situation.

It is really the only one (at least that we can think of in the Philippines) in which the same kind of equipment and the same buildings are operated by Philippine and American personnel, and that is not the general practice, for example, at Subic and at Clark Air Base.

Mr. SIMON. I would just suggest, Mr. Chairman, if you will, I am speaking for one Member of the Military Construction Authorization Committee that has a difficult time to invest taxpayers' funds on a 5-year lease basis. Somewhere along the line I have to be assured of continuation of the bases.

Now, you know this committee takes great pride in the quality of life of our people, and this will even affect the quality of life of those people, because speaking as one Member, I am going to have a difficult time, and the Philippine Government certainly ought to know this, and certainly our Government ought to know this.

We have to, in my opinion, be assured of a longer term type of an affair. That is just one person speaking. Obviously, I am not speaking for the Congress. Thank you, Mr. Chairman.

Mr. DELLUMS. The Chair would like to piggy-back on the questions that the gentleman from Virginia raised, since we are at the point in the record where we are discussing the issue of military construction.

Mr. Secretary, are you prepared this morning to give us specifics with respect to your projected military construction program at Subic Bay and Clark? Can you give us that this morning?

Mr. KELLY. I can for fiscal year 1986, which is the budget before the Congress. The remainder specifically——

Mr. DELLUMS. We have seen 1986.

Mr. KELLY. Yes, sir, the remainder, sir, is of course still being decided and will be submitted to the Congress in the President's budget in January, sir, and in succeeding years, and so everything that goes into the planning process is something that represents a wishlist that has to be approved all through the succession of command up right to the President and the Director of the Office of Management and Budget.

[The following information was received for the record:]

5-YR CONSTRUCTION PLAN (1987 - 91) THE PHILIPPINES

(In thousands of dollars)

	Fiscal year—				
	1987	1988	1989	1990	1991
Mean	71,695	71,123	71,149	81,203	81,407
Air Force	61,275	64,900	51,604	42,708	40,400
Total	72,910	106,023	127,132	128,001	136,807

The fiscal year 1987 program is as submitted. Fiscal year 1988–1991 plans are tentative and are subject to review and revision during the planning, programming and budgeting process.

Fiscal year 1987-91 Philippine construction plan—fiscal year 1987

	Thousands
Clark AB:	
Parallel runway	$32,500
Upgrade power plant—Phase IV	8,600
Unaccompanied enlisted personnel housing	5,000
Aerospace systems branch/engine dispatch	1,050
Cope Thunder operations facility	4,650
Fire station	760
Child care center	2,000
Essential maintenance facility—Phase II	4,600
POL operations facility	1,650
Portomod support	460
Total	61,270
Cubi Point NAS: Unaccompanied officers quarters	5,300
San Miguel NCS: Fire protection system	470
Subic Bay:	
Construction battalion camp	1,710
Data processing center addition	290
Abrasive blast facility	1,770
Facility energy improvements	2,100
Total	5,870

The following programs 1988-91 are tentative and are subject to review and revision during the planning, programming and budgeting process.

Planned fiscal year 1988

	Thousands
Clark AB:	
Energy conservation investment program	$1,750
Alter intelligence facility	900
Add to and alter composite medical facility	42,000
Medical contingency complex	6,000
Upgrade powerplant—Phase V	14,200
Base civil engineer complex	4,550
Fire protection various facilities	2,150
Unaccompanied enlisted personnel housing	5,200
Cope Thunder operations ramp	2,700
Consolidated support facility—Phase II	4,000
Water supply, storage and distribution	3,000
Library	1,750
Equipment maintenance facility	700
Aircraft shelters—Phase I	6,000
Total	94,900
Cubi Point NAS: Fire station	538
San Miguel NCS:	
Automated message exchange	2,900
Elementary school	2,000
Total	4,900
Subic Bay:	
Energy improvement	240
Unaccompanied enlisted personnel housing	3,400
Ammo rework shop	4,150
Ammo segregation facility	1,750
Security lighting	390
Leyte wharf utilities	4,935
Unaccompanied enlisted personnel housing	8,100
Hazard/flammable storage	5,500
Sanitary waste support	8,000
Maintenance storage	220
Hospital replacement	29,000
Total	65,685

Planned fiscal year 1989

	Thousands
Clark AB:	
Medical war readiness material warehouse	$4,119
Unaccompanied enlisted personnel housing	7,200
Security police complex—Phase II	3,050
Base civil engineer complex—Phase II	2,800
Consolidated support complex—Phase III	3,210
Base supply complex—Phase I	9,100
War readiness material storage (housekeeping)	500
Aircraft shelters—Phase II	6,700
Rapid runway repair equipment storage	925
Corrosion control facility	1,600
Hangar nose dock	1,100
Interservice agency auto message process exchange	1,000
Upgrade high frequency communications facility	2,300
Middle school renovation	4,000
Elementary school	4,000
Total	51,604
Cubi Point NAS:	
Unaccompanied enlisted personnel housing	13,859
High explosive magazine	290
Aircraft intermediate maintenance facility	5,080
ASW operations center	3,690
Total	22,919
Subic Bay:	
Missile maintenance shop	1,400
ADAL unaccompanied officer personnel housing	4,900
Gymnasium	1,400
Marine barrack	1,550
Fire protection	450
Armory small arms/ammo	930
Repair wharf	12,300
Cold storage warehouse	5,800
Public works shop	800
Hazardous material storage	500
Electric powerplant—Phase II	15,500
Fuel storage	7,100
Total	52,630

Planned fiscal year 1990

	Thousands
Clark AB:	
Unaccompanied enlisted personnel housing	$7,300
Base supply complex—Phase II	8,000
Base theater	2,300
Aircraft weather shelters	6,600
Aircraft shelters—Phase III	7,200
Parking apron	1,700
Fueling hydrants	700
Communications administrative facility	7,900
Control tower	2,000
Total	43,700
Cubi Point NAS: Educational services office	4,038
San Miguel NCS:	
Consolidated club	1,895
Medical/dental clinic	3,900
Total	5,795
Subic Bay:	
Legal services office	2,500
Transit shed	1,250

Fire station	1,350
Berthing wharf	7,300
Dining hall	540
Religious education building	2,500
Library	1,200
Wharf utilities improvement	3,250
Brig	3,250
Fire protection pumps	410
Auto vehicle maintenance shop	400
Administration building	6,900
Transportation complex	10,700
Electric powerplant—Phase III	34,000
Total	75,550

Planned fiscal year 1991

	Thousands
Clark AB:	
Unaccompanied enlisted personnel housing	$8,900
Base water system	2,000
Upgrade electrical distribution system—Phase I	6,000
Missile Maintenance/igloos/preload facility	3,500
Aircraft shelters—Phase IV	7,600
Semihardened operations facility	8,000
Aircraft maintenance complex	4,600
Total	40,600
Cubi Point NAS:	
Engine can/decan facility	320
Hangar fire protection	419
Fire protection aircraft fuel	778
Dental clinic replacement	3,000
Total	4,517
San Miguel NCS: Power system improvement	2,000
Subic Bay:	
NX fire protection	1,600
Academic instruction building	4,350
Small craft berth	12,300
Service clubs fire protection	260
Recruit processing building	810
Personnel support storage	960
MAU camp sprinkler system	220
Cold storage warehouse	14,400
Fire protection	390
Salt water (fire protection)	2,000
Academic instruction building	1,800
Electric powerplant—Phase IV	44,000
Dental clinic replacement	5,800
Total	88,890

Mr. DELLUMS. Given the fact that this morning we have received testimony from you gentlemen with respect to the "potential threat of the NPA," how do you then justify any continued expenditures at Subic and Clark, given this potential threat, and (b) wouldn't it be more prudent to lower the priorities in that area, given the uncertain political environment operating at this point, and the fact that there are no guarantees that a new government in the future would allow us to stay there?

Mr. KELLY. Well, sir, there are guarantees, of course, in the form of the military bases agreement.

Mr. DELLUMS. That is 1991?

Mr. KELLY. 1991. Second, sir, we have over $2 billion in replacement value of facilities already extant at our bases in the Philippines. I think it would not be in our interest to halt maintenance and replacement of needed facilities that are used in day-to-day operations, and that is the context of our military construction request.

Yes, sir, there are risks in the Philippines, and there are risks in other parts of the world, and that is something that we have to judge in submitting the budget, and that the Congress has to judge in voting the funds.

Mr. DELLUMS. Thank you very much. The gentleman from Mississippi, Mr. Montgomery, is recognized for such time as he may consume.

Mr. MONTGOMERY. Thank you, Mr. Chairman. We thank our colleague from New York. I am sorry I wasn't here earlier to hear his testimony, and also our other witnesses that are here. I think this is very important, Mr. Chairman, that we have a hearing like this.

I have had the privilege, or the sadness, you might put it, of going to that part of the world 13 times since I have been in the Congress, and I see some people in the room today that have been over there with me, so I do know a little something about the Philippines. I don't think you ever become an expert in that part of the world.

I was looking at some maps here. One reason it is good that we have these hearings this morning, if we did have to move our bases out of the Philippines, I don't know where you would move them. You can't move them west. You can't move them into Vietnam. You can't move them into Cambodia. You can't move them into Laos. There are problems in Thailand that are there. If you move them back over to Guam, that is 1,500 to 2,000 miles away. So I think we have to try to work out something the best we can, and that is why I think it is necessary that we try to talk through, and this subcommittee does have this responsibility.

Is it worthwhile, and where do we go, if we can't work it out in the Philippines.

I would like to ask our witnesses this morning, I have talked to Secretary Kelly the other night about this situation, having these bases here, whether you get Marcos in the election or you get Aquino's widow, or somebody else, isn't it important that we keep these bases there, if we can, to hold down Communist in that part of the world? Isn't that one of our biggest problems that we have the State Department and Defense Department concerned, of the Communists moving in, and then we would have to fight a problem of a Communist regime government. Do these bases give us some security in holding down communism?

Mr. KELLY. Yes, sir, they certainly do. This is, of course, one of the reasons that the strategic location of our bases and their position in the Philippines is the most valuable aspect about them.

The individual activities that are performed at the location might be able to be accomplished somewhere else, but we simply could not replace this location, and what is necessary is the response to the Soviet buildup that has taken place in the Pacific and in East Asia, in ground forces, in air forces, over 3,000 combat aircraft, an 800-ship navy just in the Pacific, with over 110 subma-

rines, guided missiles that have the capability of reaching the United States itself or from their home ports, and of course the new development of the base at Cam Ranh Bay.

Mr. MONTGOMERY. These are the Soviet forces?

Mr. KELLY. These are Soviet forces I am talking about, and what we have seen, sir, is that the United States is a figure in East Asia and in the Western Pacific. It is a figure in a military sense, but it is certainly a major if not almost predominant figure in some parts, economically. The Soviets have not experienced this economic development. They have not been successful in developing political influence throughout East Asia, so they have had to do what they seem to do best, which is build larger military forces, apparently, sir, to try to intimidate, and our bases play a key role in preventing and detering this from occurring.

Mr. MONJO. I would like to make two points. I have served in Southeast Asia over a period of years, and today the countries of the area are much more supportive of our maintenance of our bases in the Philippines than they were in the past. Ten years ago a lot of them said, well, it is up to you and the Filipinos, and left it at that. Today one gets a very much more positive reading as they see the Soviet threat and as they look at us as the benign big power that they hope will stay around.

A second point I would like to simply touch on is that in my view with either the continuation of the Marcos Government or the moderate opposition, we would be able to work with the maintenance of a base structure there. Either one may ask some questions. They may say we may have some negotiations to do, but I think they are entities with which you can deal in a constructive fashion.

If the people up in the hills, however, were to take over, the New People's Army, their vision of the Philippines is Vietnam or Cambodia or something like that.

Mr. MONTGOMERY. You are saying the two parties now that seem to have prominence, we will keep out of that, but let's hope that works out and have free elections in that part of the world.

One other question and one comment. My comment first. I agree with what you said, Mr. Kelly, that it seems that General Ver should move on. He had a responsibility of that security and it was handled terribly. It was handled in the worst manner you could. Even though he might be acquitted by a judge, a panel of judges, it would seem to me that he should move on, and that his effectiveness is no longer there.

My other point and question is this: I was in Vietnam only last December, and the Vietnamese are easing up. They will let you go in different parts of the country, but they will not let you go into the Cam Ranh Bay area, and they will not let you go in other areas where there is the possibility of Soviet military bases. We got into Cambodia, Mr. Secretary, in spite of the State Department not wanting us to go there.

You know we should have been there. We found out that a thousand Russian families had moved into Cambodia in the last year, and it was effective information the way we found it out, so the Soviets are moving into that part of the world, and that kind of location in the Chinese up there. That puts a southern flank of

military on them by the Soviets moving into Vietnam, and we are sitting over here with strong military bases that does have some influence. That is my question.

It does by keeping these American forces, have some influence on the Soviets being in Vietnam, and they are there now, and they are moving into Cambodia. There are not many in Laos, the Soviets are not. What happens and how does that affect the American bases in the Philippines? What effect do we have on that movement of Soviets in that part of the world?

Mr. KELLY. Well, sir, I am not sure there is an awful lot we can do about it. I would remark, sir, that one reason that the Vietnamese who greeted you didn't take you to Cam Ranh Bay is I don't think that they could go to Cam Ranh Bay themselves. That is not a joint facility. That is a Soviet facility, and as far as we know, the best information is that no Vietnamese are allowed. This is for Soviet military forces only, and this is a troubling development, a new item in Southeast Asia. It is the warm water port that people in Russia have talked about for centuries.

I am not sure there is a lot we can do about it, but our bases will serve mightily to deter the use of these bases to threaten further our friends and allies in the region.

Maybe Mr. Monjo can add something more to that.

Mr. MONJO. No; I think the fact that the Soviets are there in such strength makes our base structure even more important, and also I think in the view of the countries of the region, if we were to pack up our bags and go home, they would say, "Well, all we have got left is the Soviets here."

Mr. MONTGOMERY. I think that certainly makes my point, Mr. Chairman. We have to try to work out something, because the Far East is becoming just as important or more important than the European situation. Thank you.

Mr. DELLUMS. I appreciate the gentleman's remarks. The time of the gentleman has expired. Mr. Ray.

Mr. RAY. Thank you, Mr. Chairman.

Gentlemen, this is a very interesting meeting and conversation this morning. I just want to say that I don't know of any concern that is bothering me and the people whom I am associating with on the Armed Services Committee, and many of my constituents, as much as the situation in the Philippines is right now, and I would like to asssure my colleague from Virginia, Mr. Sisisky, that he is not standing alone. I share and associate myself with his remarks totally and completely, and I would just like to ask this question.

The New People's Army and other factions there have indicated that the bases must go if they take over. Now, if that happens, hypothetically, looking at the worst case of course, if they should take over, what is the procedure we would face at that time? Would we walk off and leave everything there? Can you address that point?

Mr. KELLY. Mr. Ray, I don't think we can describe what would happen in an armed, and presumably successful for the Communist New People's Army, revolution. I think we are a long way away from that. We at the Defense Department have made the prediction that if the armed forces of the Philippines and the Philippine Government take proper action against the NPA, something called a strategic stalemate might be possible in 3 to 5 years.

This is not a successful revolution, but it would mean that it would be exceptionally difficult for the armed forces of the Philippines to root it out, if it had gotten that bad.

Now, if going even beyond that 3- to 5-year projection of a strategic stalemate on to some unknown time when these communist forces win a victory, I don't think we can predict now exactly how we would leave, but it would be a humiliating and very unfortunate event.

Mr. RAY. Thank you, sir.

Mr. DELLUMS. The time of the gentleman has expired. The gentleman from New York, Mr. Schumer, is recognized for such time as he may consume.

Mr. SCHUMER. I thank the gentleman and the members of the subcommittee to allow me an opportunity to question the two witnesses, particularly in light of the questions that I brought up.

Just two quick comments beforehand. One is that I appreciate the remarks that the U.S. personnel didn't know of the upcoming assassination of Senator Aquino. I think that what the U.S. personnel and bases were used for is one question, but there is also a second ramification here, which is that the evidence that we have reflects on the Marcos regime and its commitment to democracy and its commitment to stability.

If indeed it were proven that Philippine planes used our bases and tried to intercept the Aquino plane, bring them down maybe to do whatever, one then has to even be more skeptical of the verdict of acquittal against General Ver. It is all cyclical. That relates to our bases again, because if President Marcos is doing these things, in my opinion at least the possibility of an NPA takeover is much greater than would be in the situation that my colleague from Georgia brought up would become more of a reality, so it is all tied in. That is why I think this line of questioning is important.

I have a series of questions, and appreciate the Chair and the subcommittee's indulgence. First for Mr. Monjo. Am I correct when I state that the State Department took six affidavits from U.S. servicemen concerning the activity of Wallace Air Station on August 21, 1983, and they were released on September 16, 1983?

Mr. MONJO. I believe the affidavits were taken by the military, by State and Defense lawyers together.

Mr. SCHUMER. Right.

Mr. MONJO. We made them available to the Philippine Government, that is correct.

Mr. SCHUMER. That is correct, which I thought was a commendable move. From those affidavits, what, if anything, did the State Department conclude occurred at the Air Force base that day?

Mr. MONJO. I guess one could say what we saw there was that there was unusual activity. The phrase you used I think came from one of our press statements, and the fact that the Philippine personnel there took this interest and seemed to be getting involved in something which was rather unusual struck us as something that a court or an investigatory body would probably be interested in, and therefore we made that available.

Clearly, we did not have any depositions from the Philippine side. We only had them from our own side, so we simply presented

something which came to light rather late, as you have noted, and said: Here is something which we think is worth your attention.

Mr. DELLUMS. Would the gentleman yield?

Mr. SCHUMER. I would be happy to yield.

Mr. DELLUMS. I might ask, both of you mentioned this unusual activity. Were there any conclusions drawn or implications read into this, or did you simply note this bureaucratically, there is a great deal of unusual activity here, we will note it and go forward, or did you sense that there was unusual activity, and then started to try to think through what the implications were, or ask any questions about the abnormality of the situation at that point?

Mr. KELLY. There are two parts to that, Mr. Chairman. First would be the events that happened on August of 1983, and then second would be what happened in the U.S. Government when this information came to light here in Washington, which was not until it appeared in the San Francisco Examiner sometime in the early part of last summer. So that on that particular day, I think, seems to be what your question is going toward, and that is, I think, responded to in the affidavits that we have provided.

There was a certain curiosity by the U.S. Air Force personnel who were at Wallace Air Force Station and were also on liaison duty at the Philippine Villamor Air Base, which is the Philippine Air Force headquarters. These people made note of this activity, tried to find out what was going on and informed their superiors, but somehow the information did not pass from those superiors who were informed to the authorities either at our embassy in Manila or at Headquarters Air Force or Department of Defense in Washington until long after the event.

Mr. DELLUMS. I thank the gentleman for yielding. I think it helps us paint a clear picture.

Mr. SCHUMER. I think that is right and I appreciate the chairman's help in that regard. This is an important question, so I would ask both gentlemen to pay attention to it. First, is it correct that two of the affidavits filed by U.S. servicemen noted that they believed or were told by members of the Philippine Air Force that the jets were sent up to intercept Senator Aquino's plane?

And I quote from the statement of S. Sgt. David Hampton. "Colonel Kamawan"—who was a colonel in the Philippine Air Force—"advised me the Philippine Air Force has wanted to divert Senator Aquino's flight to the Basa Air Base."

Mr. KELLY. That affidavit, to the best of my knowledge, does say that, yes.

Mr. SCHUMER. It does. Doesn't that shed light on the question that the good gentleman from Alabama Congressman Dickinson asked, what did intercept mean? Clearly the interception wasn't, at least according to Sergeant Hampton's affidavit, was not just an escort to bring Senator Aquino to his proposed destination in Manila.

David Hampton says, S. Sgt. David Hampton, that a colonel in the Philippine Air Force said we were going to divert it to a different air force base, a Philippine Air Force base. Doesn't that strike you as strange, and wouldn't that require more than just stating unusual activity occurred that day, knowing what happened afterward?

Mr. KELLY. There certainly was unusual activity.

Mr. SCHUMER. I would say so.

Mr. KELLY. The testimony says, simply quotes what happened after the event, and what the American sergeant says that the Filipino colonel told him. He apparently told him that they wanted to divert Senator Aquino's flight to Basa Air Base, which is a Philippine air base. Incidentally, no Filipino aircraft at any time used the facilities at Clark Air Force Base, runways or control towers. This was strictly Philippine forces.

The fact is, of course, as we know it, this Colonel Kapawan said they were looking for a "China Air Lines flight coming from Hong Kong." The fact is, of course, that Senator Aquino was on a China Air Lines flight, but it was coming from Taipei and Taiwan, apparently somewhat later or at least around the same time on that day, and it went as scheduled into Manila International Airport.

Mr. SCHUMER. Let me just corroborate what Hampton said. The other is Major Townsend whom I mentioned in my testimony. He gave a virtually identical affidavit. None of the other affidavits, at least as I have read them, contradict this assertion, so isn't it reasonable to assume that the jets were scrambled for the purpose of intercepting Aquino's plane and diverting it to a different air force base, not to Manila?

Mr. KELLY. That is possible, sir, and some Filipino military men thought so on that day, and those Filipino military men did say to some American military men that that is what had happened, but I don't think the evidence is at all conclusive that that was fully it, because we don't have the Philippine side other than what remarks were made to these Americans.

Mr. SCHUMER. But as far as our American servicemen, no one has said anything to contradict that; is that right?

Mr. KELLY. There is contradictory information. There are others that said there was a noncommercial flight, and they all said it was a flight from Hong Kong, but they didn't all say it was an airliner or China Air Lines. This all very ambiguous, and we don't know, Mr. Schumer, exactly what was going on there. We have these scraps of information, but they are not conclusive in my view.

Mr. SCHUMER. You are saying the contradictions are whether the flight came from Hong Kong or Taipei or whether it was a commercial airline or noncommercial airline?

Mr. KELLY. Yes, sir.

Mr. SCHUMER. But there is no contradiction, no other statement as to what the purpose was of scrambling these planes?

Mr. KELLY. I don't know of any other purpose.

Mr. SCHUMER. The next question I had is, given the immediate assassination of Senator Aquino thereafter, wouldn't it behoove the United States military for its own purposes to undertake an investigation of what went on immediately thereafter? Here you have what is described officially by the military as unusual military. You have two majors and a staff sergeant who completely agree and say the purpose of the diversion of the airplanes was to bring them down to a different base.

The senator is then assassinated and this information just sits there. I find that awfully strange. I would think, without any implication that anyone on the American side had of any wrongdoing,

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that this information would have been passed immediately to higher-ups, so that it could be digested and so we could do something with it. Is that normal procedure?

Is this in the commanding officer's discretion? What happens when this kind of thing happens? Will you explain to me your feelings as to why nothing was done with the information until it was unearthed by a reporter from the San Francisco Examiner?

Mr. KELLY. I don't know, sir, why nothing was done with the information. I do know that nothing was done with it beyond some level of the local Air Force chain of command. These affidavits, of course, were taken two years after the fact and represent the recollection of these people at that time.

This is something that had we known of it here in Washington at the Department of Defense anytime after the event would have been looked into, and of course it was looked into when we found out.

I think what you are asking is why did it take us so long to find out, and I think the answer to that is we don't know.

Mr. SCHUMER. The next question I have is do you think, has the Defense Department or the State Department, if so, ever made an effort to question Colonel Lewis?

Mr. KELLY. For that, sir, the Air Force, which is of course the responsible command here, is the one that has looked into it. I am accompanied today by Col. Fred Flemings of the Headquarters U.S. Air Force, and I would, with your permission and the permission of the chairman, sir, ask Colonel Flemings if he would come up and take the seat next to me and try to respond to that question.

Mr. DELLUMS. Without objection, Colonel, you are welcome. Colonel Flemings, I welcome you before the subcommittee this morning.

Colonel FLEMINGS. Thank you, Mr. Chairman.

Mr. SCHUMER. My question would be, Colonel Flemings, we have a chain of command here where a sergeant and a major reported certain activity that would at the very least lead to serious questions. The major said he informed a Colonel Lewis as to what he thought was going on, and in fact Colonel Lewis seemed to corrobrate that, that Major Townsend's view was accurate. Has the Air Force questioned Colonel Lewis on this issue?

Colonel FLEMINGS. No, sir. The only place that Colonel Lewis' name appears is in the news article that former Major Townsend contributed to. The reports through the chain of command, as we understand them when we looked into it again two years later, the reports went to Colonel Hightower, who was the Assistant Director of Operations in Intelligence at Clark.

Mr. SCHUMER. Do you think it would be a good idea for either you or this subcommittee to question Colonel Lewis, since we do have a mystery here as to what happened? Colonel Lewis has given an answer that I find sort of puzzling. He says we know what is going on over there, so he seemed to know or at least felt he knew. That is what Major Townsend has stated.

Mr. KELLY. Perhaps, sir, we should provide for the record who Colonel Lewis is. I have to tell you I have read all of the official papers, and I hadn't seen Colonel Lewis' name appear before, until

I was shown a clipping from this newspaper, and I think it behooves us to identify Colonel Lewis, and to question him if he has not been questioned before.

Mr. SCHUMER. I would ask the chairman of this committee if the subcommittee could make a request first to find out if there was a Colonel Lewis who was an assistant to General Burns at the time we are talking about, and, second, to make him available to the subcommittee for some questions, or at least we may be able to—I don't know what the protocol is, not being a member of the subcommittee, but perhaps we could submit some questions that we were interested in to the Secretary or to the Air Force and have them submit Colonel Lewis' answers, if such a person does indeed exist.

Mr. DELLUMS. The Chair will state to the gentleman that that will be wholly appropriate. I will further add that at the end of these proceedings the subcommittee will determine what further steps we take, whether this subcommittee will pursue the specifics, the Investigations Subcommittee or some other subcommittee of the Armed Services Committee, but it is certainly appropriate to submit the questions, and the subcommittee would ask that they be responded to.

Mr. SCHUMER. I would ask just Secretary Wallace, would the Air Force or would the Defense Department have objections if this subcommittee were to decide to question Colonel Lewis or any other military personnel involved? Would you have any objection?

Mr. KELLY. Mr. Schumer, my name is Jim Kelly.

Mr. SCHUMER. Oh, I am sorry.

Mr. KELLY. But to answer your question, sir, we will take all questions and there is nothing to hide in this situation.

Mr. SCHUMER. I understand that.

Mr. KELLY. And all of the people involved will answer the questions that are tendered them by their own service, and we will answer the questions that the committee has too, sir.

Mr. SCHUMER. Thank you.

I have a few more. I guess maybe I should now make up for it by calling this the Kelly Air Force Base. Maybe one day the chairman or members of this subcommittee will name such an Air Force base.

I have the agreement here, Mr. Kelly, about Wallace Air Force Base relating to the situation you described before, and as I read the agreement, it says, well, let me read the parts of it that I think are relevant. It says, "United States operations, personnel, structures and equipment at Wallace will be under the command and control of the U.S. commander of the U.S. facility at Clark Air Base." That would indicate to me—and then it goes on to say, "There shall be joint utilization of the Wallace radar as agreed to by the base commander and the United States commander."

That would indicate to me that if the base commander—first of all, that the radar equipment which is ours, under our control, not joint control, and the Philippine Air Force uses it with our permission, and second, that if our commander was aware that something strange was going on, he would indeed have the power to ask the Philippine Air Force personnel not to use those structures for that equipment for that particular purpose. Is that correct?

Mr. KELLY. Well, sir, that is possible. Those are the words of the agreement, and I am inclined to believe that that is the way it would go. But I think we have to recognize that we have not had a series of incidents. This was a Sunday morning in which the normal Philippine Air Force people came in and started operating the radarscopes.

I am sure they have done this on other occasions on a Sunday when some exercise was going on, but apparently it had never happened before, on an ordinary occasion like this, and even the allegations and statements about Senator Aquino afterward were all information that was given to our people after this particular event. So I don't think it was very remarkable, nor was it the sort of thing in which command action had to be instantly taken, if Filipinos start showing up on the weekend and working on their radars.

It was unusual, and it was a unique event that was reported on. But I don't think it was the sort of thing in which the commanding officer had to act to stop it. But I do believe, sir, it is U.S. equipment, and we could take it away anytime we needed to.

Mr. SCHUMER. Thank you.

One other question, Mr. Kelly, and that is to your knowledge, and perhaps if I might ask Colonel Flemings the question as well—to both of your knowledge did any person or any United States military personnel higher up than Major Townsend know anything more about the incident on Sunday morning than Major Townsend reported?

Mr. KELLY. I don't know of any other than the senior officer referred to earlier by Colonel Flemings, and I will let Colonel Flemings respond as well.

Colonel FLEMINGS. No, sir, no indication at all that anyone above Major Townsend knew any more than Major Townsend did. May have known as much but no more.

Mr. SCHUMER. I thank you. I thank the gentlemen for their patience with the questions, and I again thank the chairman.

Mr. DELLUMS. The time of the gentleman has expired. Mr. Secretary, I ask all of you gentlemen, is it inconvenient for you to come back?

Mr. KELLY. I do have a problem this afternoon, Mr. Chairman. I do have to meet with a delegation from the Marshall Islands that have come all that way. I would like to take questions for the record or we can stay longer right now.

Mr. DELLUMS. The gentleman from New York wants to make a vote. The Chair will forego. There is a vote on the floor on the rule on the Superfund. The Chair is going to assume the rule will pass, and the Chair is going to forego that and ask a few questions.

Gentlemen, there have been a number of questions that we have had prepared based upon the testimony that you submitted, and many of the questions have been answered in various forms, have been asked in various forms. There are some questions I want to ask for the record and some I would like to ask you to answer in open session here today. There have been a number of press reports that U.S. arms are being smuggled into the Philippines to fight "the opposition." Is there any veracity to these reports?

Mr. [illegible]. I have seen press reports, Mr. Chairman, about arms being smuggled in. I think a number have been detected by those law enforcement officials who are responsible, think, as the Department of Treasury and Bureau of Alcohol, Tobacco and Firearms. We don't know that these arms are going into the Philippines to fight the opposition. Some of them are going into the Philippines to be used by the Communist opposition. Others are going to individual citizens who may be planning to use them either properly or improperly.

All we know of, and this has been reported in the press, and based on the information from the Department of Treasury, is there has been some increase in illegal shipments of small arms that have been seized, and they are not going to the government of the Philippines.

Mr. [illegible]. We do not see a pattern as if it were a linked effort, at least so far.

Mr. [illegible]. We would like to ask you to submit the following information for the record. In fact, you alluded to it when you made a breakdown of the 1000 million, but we would like to ask you—and staff will submit the questions, but we want you to identify all U.S. Government dollars going into the Philippines, for example the security assistance, foreign military sales, economic assistance, or others, and explain how these funds are being used by the Marcos government.

(The following information was received for the record:)

The security assistance for the Philippines is based on President Reagan's commitment made at the conclusion of the 1983 review of the Military Bases Agreement which pledged administration's best efforts to obtain $900 million (125 million MAP, $500 million FMS and $275 million ESF) over the five fiscal years beginning in FY 1985. The table below provides data on the bases related security assistance, as well as all other forms of U.S. aid for the Philippines beginning with FY 1985.

PHILIPPINES: ASSISTANCE LEVELS

	LEVELS	($ MILLIONS)	
	FY 85	EST. FY 86	Request FY 87
DA (ESF) (in brackets)	56.8	16.9 (6.2)	23.3 (3.5)
ESF	180.0	119.6	95.0
PL 480 Title	81.5	55.0	-
PL 480 II	11.0	7.3	5.7
IMET	1.5	1.8	51.0
MAP	25.0	55.0	52.0
CAMPS	3.0	3.0	3.7
Peace Corps	5.0	4.8	5.0
Total	1,114	1,017.9	1,038

In FY 1985, an additional $2 million was provided in disaster relief assistance.

FMS and MAP: Grant MAP financing and FMS credits will improve logistics training and maintenance of existing equipment, upgrade tactical command, control and communications through field radio repair and expansion, provide vehicles to increase mobility for defense forces, and increase maintenance capability and the readiness posture of helicopters.

IMET: The major objective of the IMET program is to provide professional and technical training for junior, multiracial and noncommissioned officers in maintenance, operations, and communications and electronics, leadership, administration and logistics. The program promotes better understanding of U.S. policies and institutions, especially democratic traditions and human rights.

ESF: ESF assistance will continue to support overall U.S. assistance strategy in the Philippines. It will address constraints to sustained economic growth -- particularly in agriculture, rural industry and infrastructure -- while also improving economic and social conditions around U.S. military bases.

DA: Development Assistance will improve policy and institutional frameworks to increase rural productivity, develop private sector institutions to support rural enterprise growth, improve access to and cost-effective services for maternal and child services, and strengthen family planning activities and agribusiness/rural enterprises.

P.L. 480 Title II: P.L. 480 Title II concentrates on Maternal/Child Health Program and school feeding activities.

For greater detail, I am attaching a copy of the A.I.D. Fiscal year 1987 Congressional Presentation on the Philippines.

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Table 3

PROGRAM SUMMARY (In thousands of dollars)								
Fiscal Year	Total	Agriculture, Rural Development and Nutrition	Population Planning	Health	Education and Human Resources Development	Selected Development Activities	* Other Programs	
							ESF	Other
1985								
Loans	18,817	16,250	0	0	0	2,567	0	-
Grants	104,559	9,583	0	4,500	300	1,200	140,000	976
Total	173,376	25,833	0	4,500	300	3,767	140,000	976
1986								
Loans	0	0	0	0	0	0	0	-
Grants	138,505	12,030	0	4,840	300	1,710	119,623	-
Total	138,505	12,030	0	4,840	300	1,710	119,623	
1987								
Loans		0	0	0	0	0	0	-
Grants	118,000	13,850	4,000	1,450	450	3,050	95,000	-
Total	118,000	13,850	4,000	1,450	450	3,050	95,000	

* Disaster Relief Assistance

FY 1987
PROGRAM HIGHLIGHTS

A. Development Assistance: ($23 Million)
- Improve policy and institutional framework to increase rural productivity; Develop private sector institutions to support rural enterprise growth.
- Improve access to and cost-effective services for maternal & child survival; Strengthen family planning activities and epidemiological surveillance.

B. Economic Support Fund: ($95 Million)
Balance of payments support for agriculture, rural enterprise and productive infrastructure.

C. P.L. 480 ($7.7 Million)
Title II, MCH and school feeding activities

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PERSONNEL DATA			
Category	FY 1985 (Actual)	FY 1986 (Estimated)	FY 1987 (Proposed)
U.S. National Personnel	36	37	37
AID Direct Hire[a]	0	0	0
PASA [b]			
TOTAL	36	37	37

[a] Full time equivalent workyears of employment. Do not include HIG or excess property personnel. One workyear = 2080 hours (40 hours per week).
[b] On board end of year.

PARTICIPANT TRAINING DATA PARTICIPANTS IN TRAINING IN THE U.S.[a]									
Category	FY 1985 (Actual)			FY 1986 (Estimated)			FY 1987 (Proposed)		
	A[b]	T[c]	Total	A	T	Total	A	T	Total
Bilateral[d]	43	59	102	30	98	128	21	76	97
Regional[e]	4	0	4	4	0	4	2	0	2
TOTAL	47	59	106	34	98	132	23	76	99

[a] In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.
[b] Academic: degree seeking.
[c] Technical: non-degree seeking.
[d] Participants funded under bilateral programs.
[e] Participants funded by regional programs (e.g., CLASP, AMDP).

PARTICIPANT TRAINING DATA PARTICIPANTS IN TRAINING IN THIRD COUNTRIES[a]									
Category	FY 1985 (Actual)			FY 1986 (Estimated)			FY 1987 (Proposed)		
	A[b]	T[c]	Total	A	T	Total	A	T	Total
Bilateral[d]	0	19	19	0	79	79	0	38	38
Regional[e]	115	403	518	110	540	650	110	580	690
TOTAL	115	422	537	110	619	729	110	618	728

[a] In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.
[b] Academic: degree seeking.
[c] Technical: non-degree seeking.
[d] Participants funded under bilateral programs.
[e] Participants funded under regional programs (e.g., CLASP, AMDP).

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RESOURCE FLOWS (In thousands of dollars)			
Program	FY 1985 (Actual)	FY 1986 (Estimated)	FY 1987 (Proposed)
Aid *			
Loans	6,579	20,131	18,064
Grants	70,596	94,156	156,524
Total AID	77,175	114,287	174,588
P.L. 480 **			
Title I	40,000	35,000	-
(of which Title III is)	(-)	(-)	(-)
Title II	11,543	7,723	7,682
Total P.L. 480	51,543	42,723	7,682
Total AID and P.L. 480	128,718	157,010	182,270

*AID levels represent actual and estimated expenditures
**P.L. 480 levels represent actual and estimated value of shipments

P.L. 480 (In thousands of dollars)						
Program	FY 1985 (Actual)		FY 1986 (Estimated)		FY 1987 (Proposed)	
	MT	$	MT	$	MT	$
Title I						
Wheat	-	-	189,000	25,000		
Rice	154,000	40,000	33,000	10,000		
Feedgrains	-	-	-	-	-	-
Vegoil	-	-	-	-	-	-
Non-food	-	-	-	-	-	-
Title I Total (of which Title III is)	154,000	40,000	222,000	35,000		
Title II 1/						
Voluntary Agencies	48,092	11,543	38,296	7,723	38,296	7,682
Government - to - Government	-	-	-	-	-	-
Title II Total	48,092	11,543	38,296	7,723	38,296	7,682
Total P.L. 480	202,092	51,543	260,296	42,723	38,296	7,682

1/ See main volume P.L. 480 narrative and table for breakout of the World Food Program by country

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Development Overview

The Philippines is in its worst economic crisis of the postwar era. Real gross national product (GNP) declined by 5.3 percent in 1984 and continues to fall. The following declines are projected for 1985: real GNP - 5.5 percent, investment - 17 percent, and industrial production - 13 percent. Real GNP per capita in 1985 is about 17 percent below the 1983 level. With economic activity severely depressed, inflation declined from an annual average of about 50 percent in 1984, to an estimated 22 percent for the year 1985.

The current economic crisis stems from a confluence of factors starting with the import substitution industrial strategy adopted in the 1950s and 1960s. During this period, capital-intensive urban industries received substantial production incentives and increasing government protection from imports while the agriculture sector and small industries suffered from low investment and inadequate production incentives. In spite of these reversals, the country's rich natural resource base and availability of relatively cheap credit from foreign banks after 1973 enabled the Philippines to maintain respectable growth rates until the late 1970s.

The worldwide recession of the early 1980s exposed the structural weaknesses of the economy. Rising interest rates greatly reduced the flow of foreign loans on which the economy was dependent. With increasing debt service requirements, pressure on available foreign exchange for debt payments escalated. Likewise, lack of foreign exchange for imports caused a decline in industrial activity which is largely dependent on imported raw materials. Many businesses and financial institutions failed and the Government of the Philippines (GOP) assumed the debts of several large companies. The GOP became increasingly burdened by large budget deficits created by its assumption of these bad debts and reduced taxes from imports. The Aquino assassination in August 1983 eroded confidence in the political, investment, and credit climate, thus hastening massive capital flight and a sharp decline in availability of foreign loans from commercial sources. Unable to service its $25 billion debt, the GOP declared a moratorium on debt repayment in October 1983.

The GOP, donors and the international financial community have reached broad consensus on a package of fiscal and monetary reforms and structural policy changes necessary to stabilize the economy and, in time, to move it towards a sustainable growth path. This package is contained in the Philippines Program for Policy Action for 1985 and 1986. Stabilization elements of the program require slower monetary growth to minimize inflation, lower budget deficits through tax reforms and expenditure cutbacks, and a more flexible exchange rate to stimulate exports and minimize non-essential imports. To support GOP implementation of these measures, in late 1984 the International Monetary Fund (IMF) approved the GOP's request for an 18-month SDR 615 million Standby Credit Arrangement

that cleared the way for debt rescheduling. The "Paris Club" members rescheduled about $875 million in debt in December 1984. In May 1985 commercial banks rescheduled $5.3 billion of non-trade obligations and principal payments, and agreed to provide $925 million in new money and nearly $3.0 billion for a revolving trade facility.

GOP implementation of the reform agenda has been mixed. Monetary and fiscal policy initiatives are proving moderately successful. The GOP has sharply reduced the runaway inflation of 1983/84, limited overall public capital outlays while keeping expenditures in check. Weaknesses on the revenue side of the GOP account have handicapped efforts to control the public deficit. Although prices of staple crops, rice and corn, have been deregulated, and interest rates have been increased to reflect the real cost of money, other major areas of structural reform have seen little progress. Import liberalization is evidenced largely in rhetoric, not in practice. Basic actions to dismantle monopolies and quasi-monopolies in sugar, coconuts, and wheat/flour have not been fully implemented. Reform and divestiture of public sector corporations and unsound public sector financial institutions have been the subject of much discussion but little action. Financial deregulation has made some progress, but much remains to be done. The GOP has made some efforts to restructure the public investment program, but has not settled on firm priorities. In sum, there is a well-defined and agreed agenda for reform in trade regime, finance, agriculture and public investment, but only the most limited evidence of GOP performance. The duration of the current economic contraction and the pace of eventual recovery will depend upon the degree to which the GOP musters the political will to carry out the policy reforms and structural changes needed to bring efficiency and growth to the Philippine economy.

U.S. Interests and Objectives

U.S. interests in the Philippines stem from long standing U.S. foreign policy objectives that include mutual security, economic development and promotion of a democratic form of government. The historical backdrop of the two countries is characterized by strong linkages underscored by friendly and cooperative relations.

It is the intention of the U.S. Government to maintain and enhance this relationship. To this end, U.S. interests in the Philippines focus on three primary objectives. The first is to actively support efforts leading to revitalization of the country's democratic institutions. In doing so, it is our belief that the democratic process will provide a viable and peaceful means to accommodate constructive social reforms. A corollary to this is implicit in the second objective which seeks to encourage and buttress short- and long-term economic recovery measures to promote stability and broadly-based economic growth. The third objective is to support the professionalization of the Armed Forces of the Philippines through security assistance. Along with revitalization of the country's democratic institutions and its economy, a highly professional military is

essential to cope with increasing insurgency. Within this framework, A.I.D. activities focus directly on the second objective while indirectly contributing to the first objective.

U.S. Assistance Strategy

The long-term goal of U.S. assistance is to improve the well-being of the majority of Filipinos by supporting conditions necessary for self-sustaining and equitable economic growth. The strategy to achieve this goal has three basic components: macroeconomic; agriculture and rural enterprise; and population, health, and nutrition.

The Macroeconomic Strategy focuses on programs and policies designed to overcome the current severe economic crisis and to give the Philippine economy a solid foundation for growth. Our DA assistance will support the conditions and reforms contained in the GOP's agreements with the IMF and World Bank. Policy dialogue is an essential component of the strategy; A.I.D. stresses the importance of the IMF and World Bank programs in direct discussions with the GOP and with other donors. In addition to macroeconomic policy dialogue efforts, A.I.D. provides financial assistance to alleviate selected macroeconomic problems while simultaneously achieving development objectives.

Agriculture and Rural Enterprise is the centerpiece of A.I.D. strategy because it has great potential for growth and is a stated GOP priority. A.I.D. has a comparative advantage in this sector. In the short term the sector has been plagued by poor weather, unfavorable world prices, and shrinking credit availability. These short term problems add to longer term problems arising from urban biased development policies, adverse terms of trade for rural producers, and limited access by the majority of rural people to resources and markets. The strategy has four elements: agricultural policy reform; agricultural development; rural enterprise development; and local government and rural infrastructure.

The policy reform strategy involves: careful A.I.D. analysis of policy issues; identification of critically needed reforms; flexible use of U.S. assistance; donor collaboration in support of reforms; sustained efforts to ensure that reforms are implemented; and improved GOP capability to undertake policy analysis. The first reforms A.I.D. is addressing include rural credit delivery systems and deregulation of markets for agricultural inputs and commodities.

Agricultural development and growth of rural enterprises are mutually reinforcing. The agricultural development strategy emphasizes increased investment in research and extension, irrigation management, and environmental conservation. The rural enterprise strategy involves both direct assistance to private sector as well as development of GOP institutions and policies that encourage the growth of rural enterprises.

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The local government and rural infrastructure strategy focuses on enhancing the capabilities of local governments to undertake participatory development activities; to mobilize and manage resources; and to plan, implement and maintain rural infrastructure.

The Population, Health, and Nutrition Strategy is primarily concerned with improving both the supply and demand for these services, particularly in rural areas. Rapid population growth is a serious obstacle to long-term economic development. The A.I.D. population strategy has three basic thrusts: policy dialogue leading to national consensus on the need for a strong population program; improving GOP collaboration, program organization, and execution; and exploring alternative mechanisms for supporting private sector services. The Health strategy focuses on reducing mortality and morbidity by improving effectiveness of rural primary health care, i.e., encouraging needed health policy reforms, demonstrating viability of private sector financing schemes, improving cost-effectiveness of current services, implementing better epidemiological surveillance, and adapting new biomedical technologies.

ESF Programming is significantly influenced by the linkage between the military bases agreement and Philippine Economic Support Funds (ESF). During FY 1980-1984, the A.I.D. and GOP strategy allocated ESF primarily to areas around the military bases for construction of rural infrastructure such as schools, roads, markets, town drainage systems, and municipal slaughterhouses. In FY 1985 the strategy shifted; A.I.D. obligated $47.5 million for rural infrastructure nationwide and an additional $92.5 million to support selected donor-assisted rural development projects throughout the Philippines.

A.I.D. is prepared to obligate up to half of FY 1986 ESF for program assistance; the other half will support local government and rural infrastructure development nationwide. For FY 1987 and beyond, ESF programming will continue to support overall U.S. assistance strategy in the Philippines by addressing constraints to sustained economic growth, particularly in agriculture and rural enterprise. ESF programming decisions will be made within the context of a continuing policy dialogue with the GOP in coordination with other donors.

A I.D. Program FY 1985-1986

A. Macroeconomic

Policy dialogue with the GOP and other donors contributes to implementation of the conditions and reforms of the IMF Standby Agreement, the World Bank's structural adjustment program and the GOP's Program for Policy Action. A.I.D. stresses macroeconomic objectives through annual Consultative Group (CG) Meetings as well as through meetings of the Ad Hoc subcommittee of the CG. Furthermore, A.I.D. consults regularly with the IBRD and Asian Development Bank (ADB) concerning their projects and the macroeconomic reform process.

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The Rural Productivity Support Program (492-0383) and Development Support Program (492-0400), both initially obligated in FY 1985 with ESF funds, provide the GOP with $92.5 million to help assure timely implementation of key foreign-assisted (AID, IBRD and ADB) development projects at a time of GOP budget austerity. In addition, the DA financed Technology Transfer for Energy Management Project (492-0381) seeks to lower future demand for foreign exchange by reducing the bill for imported energy. The project focuses on improving energy efficiency in private sector industrial and commercial enterprises.

B. Agriculture and Rural Enterprise

The A.I.D. strategy in this sector is being implemented through a number of activities which involve policy reform, institutional development, the private sector, and construction of rural infrastructure.

The DA funded Rural Financial Services Project (492-0394), which is associated with the IBRD's Agricultural Credit Project, will introduce policy and institutional reforms essential for strengthening the rural financial system. The Central Bank is establishing market-oriented interest rates and rediscounting, as well as other policy and procedural changes to in an effort to improve domestic resource mobilization and to expand and strengthen financial intermediation between private commercial banks and private borrowers in rural areas.

The new Accelerated Agricultural Production Project (492-0385), also DA financed, will strengthen the economic, technical and market support conditions essential for sustained growth in the agricultural sector. The project will operate as a sector program, building on past A.I.D. investment and assistance. The three major components are: (1) policy development and implementation; (2) agricultural research, verification and dissemination; and (3) subsector investments in areas such as irrigation operations and maintenance, fertilizer, price stabilization programs for food grains, and agricultural export diversification.

The FY 1985 PL 480 Title I agreement provides a framework for introducing market liberalization measures in key areas of the Agriculture and food sectors. Self-help measures contained in the agreement provide for deregulation of importation, distribution and pricing of key commodities such as rice, wheat/flour, and fertilizer. Additional self-help measures include improved procedures for announcing support prices for rice and divestiture of two food-related public enterprises. Local currency proceeds from the sale of PL 480 commodity imports will support agricultural research, rice price stabilization programs, improved performance of fertilizer and grain marketing systems, and small-scale infrastructure development.

A.I.D. is continuing its DA supported institutional development efforts in agricultural research and extension. Twelve agroforestry pilot sites and six farming systems sites of the Rainfed Resources Development Project

(492-0366) are testing approaches to improve community-based management of rainfed agricultural areas. Studies of ongoing community-level resource management systems are underway along with biotechnology research and training and policy analysis. Implementation has accelerated following a streamlining of the project decision making process and improving coordination among GOP agencies.

The Farming Systems Development Project - Eastern Visayas (492-0356) made substantial progress in identifying constraints to improving productivity in the rainfed areas. A mid-term evaluation indicates more involvement of farmers in problem identification and introduction of change into existing farming systems. Institutional linkages for research and training have been established between six field research sites and the Visayas State College of Agriculture. An FY 1986 amendment supports more technology verification activities and development of appropriate extension approaches for farming systems technology.

In response to implementation problems revealed by the A.I.D. monitoring system, A.I.D undertook a comprehensive evaluation of the Small Farmer Systems II Project (492-0334) which resulted in adding technical assistance to improve the institutional capacity of the GOP implementing agency.

A.I.D. also undertook a comprehensive assessment of the technical, economic and institutional feasibility of each component of the Rural Energy Development Project (492-0375) in 1985. Assessment findings led to decisions to eliminate the wood-fired power plants component, continue development of the charcoal production component, and limit the gasifier component to improving performance of existing units.

In the area of private sector support, A.I.D. emphasizes: improving the policy environment for private sector growth; developing private sector institutions and processes to support rural enterprise growth; and providing financial and technical assistance to the private sector. The Small and Medium Enterprise Development (SMED) Project (492-0359) is piloting several innovative activities for developing private sector institutions and processes to support rural enterprise growth. Results of a major FY 1986 SMED evaluation are being used to determine final design of the Private Enterprise Promotion Project (492-0377) which will extend and further develop ideas piloted under SMED. The new Private Sector Development Activities Project (492-0395) provides direct assistance to private firms to facilitate new development activities.

Support to Philippine and American Private Voluntary Organizations (PVOs) under the PVO Co-Financing II Project (492-0367) increased from about $2 million in FY 1984 to over $3 million in FY 1985 and FY 1986. The grants support a variety of private sector rural development activities involving agriculture, rural enterprise, health, and training.

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Improved local government administration and infrastructure development are critical to economic development in rural areas. An in-house project assessment of the Local Resource Management Project (492-0358) concluded that training greatly enhanced the ability of both local officials and project beneficiaries to plan and implement local development activities. An improved management information system is tracking beneficiary involvement in decentralized planning and decision making.

The existing ESF funded Regional Development Fund Project (492-0374), Municipal Development Fund Project (492-0361), and Markets Project (492-0363) continue to assist local governments to provide necessaryinfrastructure such as roads, schools, markets, drainage, and health facilities. The new Local Government and Infrastructure Development and Maintenance Project (492-0391) will support local governments in planning, implementing and maintaining priority rural infrastructure activities.

C. Health, Population, and Nutrition

In this sector, programs contribute to improving access to and cost-effectiveness of services focused on maternal and child survival. The Population Planning III Project (492-0341) finances an outreach program, contraceptive purchases, clinical programs, natural family planning, and private sector family planning activities. The level and shape of future assistance in population will be dependent upon findings of the FY 1986 evaluation, discussions and dialogue with GOP, World Bank, and U.N. Fund for Population Assistance, and GOP sector plans for 1987-92.

Under the Primary Health Care Financing Project (492-0371) several research and service entities are studying ways to improve cost effectiveness and to test financing schemes. In addition to providing commodities, service-related activities, and training, a new Oral Rehydration Therapy (ORT) component will transfer the production and distribution of Oral Rehydration Salts from the GOP to the private sector. Results of a FY 1986 project evaluation will be used to direct project resources to priority areas.

As a new activity, the USAID Mission plans to support a Vitamin A research program, the findings of which could contribute to the reduction of childhood morbidity. Funds will be used to pay local expenses for such a program.

The FY86 Technology Development for Primary Health Care Project (492-0386) will enhance targetting of health services by improving epidemiological surveillance and planning. It also will increase effectiveness of child survival services by supporting biomedical research on new technologies for diagnosis, treatment and prevention of infant and childhood diseases.

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The Barangay Water II Project (492-0333) has experienced implementation problems, though over 800 rural water systems have been constructed. As a result of these problems A.I.D. undertook an indepth evaluation with a view toward efficient completion of A.I.D. assistance to rural water activities. However, the evaluation identified ways to overcome implementation problems and recommended developing a new rural water project. A.I.D. is assessing this possibility.

The FY 1983 PL 480 Title II program provided food for maternal child health services and school feeding. The FY 1984 program is supplying food for similar purposes. In response to a special appeal from the Catholic Church, A.I.D. is providing substantial rice rations to low income Manila families through the Catholic Relief Services.

Requested Year Program FY 1987

A. Macroeconomic

A.I.D. will identify opportunities to program ESF resources to address macroeconomic problems through the utilization of ESF as program assistance.

B. Agriculture and Rural Enterprise

To support agricultural strategy objectives, A.I.D. requests continued financing of: the Accelerated Agricultural Production Project (492-0385); Farming Systems Development Eastern Visayas Project (492-0394); and Training and Development Issues Project (492-0340) which aims to improve GOP ability to analyze policies affecting agriculture, rural development, and other sectors.

To implement A.I.D.'s private sector strategy, funds are requested to continue the Private Sector Development Activities Project (492-0395), The Private Enterprise Promotion Project (492-0377), and The PVO Co-Financing II Project (492-0367).

To support the economic growth potential of rural areas, A.I.D. requests continued funding to improve local government institutions and infrastructure through the Local Resources Management Project (492-0338), and the ESF-funded Local Government and Infrastructure Development and Maintenance (492-0381), and Project Design (492-0343) projects.

C. Population, Health and Nutrition

A.I.D. requests funds to pursue its population strategy by initiating a new Population Sector Support Project (492-0386) that will provide program assistance based upon progress toward mutually agreed upon objectives. To implement the health and nutrition strategy, we request funds to continue activities under the Technology Development for Primary Health Care Project (492-0386) and maintain food distribution levels under the P.L. 480 Title II Program.

[illegible]

5. [illegible]

A.I.D. requests funds, through initiation of a new Financial Management Improvement Project ([illegible]), to assist the GOP in introducing more efficient and demonstrated financial management systems to support local projects. Funds are also requested for the Technical Training for Rural Development Project ([illegible]) to complete planned support for energy [illegible].

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Mr. DELLUMS. Today I would like to ask you, are you confident from your perspective that United States support for improved Philippine Armed Forces are providing an environment for peace, and are not being used for the purposes of the repression of the Philippine people? Do you feel confident that the funds that are being directed at improving the military are doing that and providing some atmosphere of peace?

Mr. KELLY. I feel very confident, Mr. Chairman, that our military assistance is going in that direction. When one talks about several millions of dollars of equipment, primarily things like trucks and radios, it is impossible to say that the purpose that each radio has been used for at all times is always something that we would endorse. But as a general principle, these are things that are reasonable and appropriate for the use of the armed forces of the Philippines.

Mr. DELLUMS. What are the possibilities from your perspective that we would be completely denied access to Subic Bay and Clark by a new government or by the current government?

Mr. KELLY. Quite remote, sir.

Mr. DELLUMS. You mentioned, you used the term there are no attractive alternatives, but you do have contingency plans, in view of the potentiality that it could occur, even though remote. Do you have contingency plans?

Mr. KELLY. We have a range of contingency plans, sir, for all kinds of situations. Because of the circumstances what particular plan or how things would develop would be necessarily uncertain.

Mr. DELLUMS. We would like to ask you for the record to identify alternative locations and explain which functions, for example, ship repair, training, logistical, et cetera, would be moved to each location.

Mr. KELLY. This is extremely hypothetical, Mr. Chairman. I did address that in general terms, sir, if I may, but I am not sure we can tell you if on July 22, 1989, we had to leave exactly where we would repair the ships. I think we could perhaps address a range of possibilities.

Mr. DELLUMS. You are confusing me. On the one hand you say we do have alternative sites located and we have contingency plans, but then you can't be specific, it is very remote. So you are really saying you really don't have; is that the point? I am not trying to put you personally on the spot but I would just like to know whether there are alternative plans. If there are not, just say that, and we will go on to the next question.

Mr. KELLY. I think we have general plans for what we might do, but in terms of specific plans under each and every conceivable circumstance, at each and every conceivable time, I don't think the plans are that comprehensive.

Mr. DELLUMS. But then how did you arrive at the conclusion that to locate alternatives would cost billions of dollars if you hadn't thought it out?

Mr. KELLY. By thinking out a few sets of hypothetical situations, but not all sets.

Mr. DELLUMS. Whatever the hypotheticals are that allowed you to arrive at a budget figure, come to the conclusion that it would cost more to relocate than to stay where you are, I would appreci-

ate whatever that is, because obviously you had something upon which you made that determination. Whatever that was, we would appreciate it for the committee.

Mr. KELLY. I will do my best, Mr. Chairman, but I do have to say that there is some considerable reluctance in passing contingency plans. If plans do not have a status until they are implemented, for that reason there is a considerable reluctance in the executive and rules that I will have to look into very carefully as to how these are provided. But I will do my best to respond.

Mr. DELLUMS. I appreciate that. I understand your executive responsibility. I am sure you understand our legislative responsibility, because we have to sit here and make judgments with respect to the utilization of vast sums of money. We have to determine whether or not it makes sense strategically, tactically and economically to reinforce facilities in the Philippines, or to suggest that we find alternative locations.

In order to do our jobs in an intelligent fashion, we have to be able to decide, and I am sure Mr. Sisisky, who is not here at this moment but who is our economic expert, who always raises the question of saving taxpayers' dollars, is to look at the alternatives, staying or going, and we just need to have that information to allow us to intelligently proceed with our responsibilities.

Mr. KELLY. Yes, sir, I will do my best to forward a reply.

[A classified report has been received by the committee.]

Question. What costs would be involved in a relocation of U.S. facilities from the Philippines?

Answer. At the direction of the conference committee for military construction appropriations, the Department of Defense is undertaking a study of a relocation from the Philippines, including the attendant costs. The deadline for this effort has been set for 1 March 1986. A copy of this report will be available to the subcommittee at that time.

Mr. DELLUMS. With respect to security problems, there have been a number of serious security problems cited at Clark and Subic. What steps are planned to upgrade security measures at either one or both of these facilities?

Mr. KELLY. There are a great many steps, sir, that have been taken, and I would like to provide those, if I could, sir, for the record.

Mr. DELLUMS. Without objection, it is so ordered.

[The following information was received for the record:]

Our plans to remain in the Philippines are not oblivious to the increasing threat of the insurgency. We are taking prudent actions to increase security on a variety of levels. Our commanders at Clark and Subic are upgrading physical security by emphasizing training in facility security and by closely coordinating with Philippine commanders responsible for perimeter security at the bases. Our military construction program incorporates projects that will increase the physical protection of our personnel and their dependents. The number one priority of our FY 86 security assistance program is equipment that will help the Philippine commanders perform their security missions more effectively. Finally, on a more general level, the aim of our security assistance program is to develop a professional, combat-effective AFP which, in turn, will help develop an environment of enhanced security that will enable our facilities to operate with reduced threats from terrorism and sabotage. The Department of Defense plans to provide the Congress with a report on this issue by 1 March 1986.

Mr. DELLUMS. Are U.S. aircraft at either facility vulnerable to NPA attack with weapons that are now in their inventory, based upon your intelligence?

Mr. KELLY. It is possible——

Mr. DELLUMS. Mortars, machineguns, this kind of thing.

Mr. KELLY. It is possible that mortars are there, and it is possible that at some times some of our aircraft are within range of such weapons. There have been no attacks and there have been substantial measures taken to deter such attacks.

Mr. DELLUMS. As we understand it, the Navy officials have requested U.S. Marines to bolster the security at the bases' perimeter. Will this unnecessaily place U.S. armed troops in a confrontational situation with local armed guerrilla forces?

Mr. KELLY. I don't think so, sir. We have had Marines assigned to Subic Bay for many, many years. We have a very substantial Marine barracks located there that does have a security mission, particularly within the U.S. facility. The Philippine base facility, which is larger in territory, of course, is the responsibility of the Filipinos. It is possible but not particularly likely that Marines would be thrown into a hostile situation. We did have in 1974 some American SeaBees who were murdered apparently by NPA troops, but we have not had incidents of that severity since.

Mr. DELLUMS. Let me ask one follow-on question. Given the already unstable situation in the country and the area surrounding the bases, would such a step that I alluded to in my previous question inadvertently involve us in a domestic conflict, just by virtue of their presence in that kind of perimeter situation?

Mr. KELLY. Our bases are in the Philippines and there are thousands and thousands of Filipinos who work on board the bases, and there are Americans who frequently travel into adjacent Philippine territory. That fact remains, and terrorism therefore is a threat, but it does not necessarily mean that the United States would be particularly involved in what is essentially a Filipino insurgency.

Mr. DELLUMS. I am assuming you have thought through these contingencies, and are there measures considered to avoid this kind of situation? Have you thought through, and if you have, what measures have you thought about that would avoid this kind of "inadvertent" involvement in domestic conflict?

Mr. KELLY. That is another very hypothetical question, Mr. Chairman, and I am not sure I——

Mr. DELLUMS. How can it be hypothetical if you put the troops on the perimeter which places them in that kind of interface with potential civilian people? That is not hypothetical. I was in the Marines. If I were in the Marines, that wouldn't be hypothetical, that would be damn real.

Mr. KELLY. The hypothetical is whether the civilians you are in contact with attack you with military weapons or not, and that is something that has not happened.

Mr. DELLUMS. Does the provision of U.S. participation in off-base security commit the United States to participate in internal counterinsurgency activities?

Mr. KELLY. I noticed this in one of the gentleman's statements this afternoon. I have been looking through for this authority that we supposedly have to operate all over the Philippines. I honestly,

sir, was not aware that it existed and I am not sure that it does exist, but I think the thrust of your question is, will United States military forces be actively involved in suppressing the Philippine Communist insurgency.

And the answer to that is that this is a Philippine insurgency and it is going to have to be solved by the armed forces of the Philippines and also by the social, economic and political measures that the Philippine Government takes for itself. This is their country, as was said earlier. This is a Philippine problem, and we may provide material assistance to some of those units. But American troops are not going to be able, and are to going to be asked, to do it for them.

Mr. DELLUMS. Let's follow up on that. Go to the United States-Philippine joint defense plan. As part of the Mutual Defense Treaty, joint defense plans have been signed in the past. What specific function is the United States responsible for in such plans?

Mr. KELLY. Various classified defense plans have been developed, all involving possible attacks from outside of the Philippines on either Philippine or American forces, within the context of the Mutual Defense Treaty, which goes back to 1951.

There is in that treaty a requirement for consultation and there are no requirements for specific actions by U.S. forces. Defense plans can be implemented but until it is directed by lawfully constituted authority these plans have no status, and I don't think we will find anything that would suggest that for the response of an attack by A, the United States would do precisely B, C, or D.

Mr. DELLUMS. So there is no requirement for direct participation of U.S. personnel?

Mr. KELLY. There is no requirement at all. There is a requirement under the treaty for consultation between the governments.

Mr. DELLUMS. Let's tie this back into the previous discussion. are counterinsurgency programs an element of the joint defense plan?

Mr. KELLY. That is, sir, another hypothetical, or a question that involves defense plans, and I think I would like to take that for the record under the provisions I had earlier mentioned. Defense plans, sir, detailed military operational plans, are not normally to the best of my knowledge reviewed by the U.S. Congress. Oversight of action after it takes place is regularly done, but I don't think military operational plans are normally——

Mr. DELLUMS. I will restate my question because I didn't ask you for battle plans. What I asked you for is are counterinsurgency programs an element of the joint defense plan. You can answer that yes or no. I am not asking you to lay out a battle plan. I am asking a very straightforward question.

Mr. KELLY. I will have to take that for the record, sir, for a classified answer.

Mr. DELLUMS. Again, this is not a personal matter here. We are talking policy, and obviously the thrust of my question is to try to determine whether or not the Mutual Defense Treaty to which we are a party has a counterinsurgency element in it.

Mr. KELLY. The answer to that, sir, is no. The Mutual Defense Treaty does not have a counterinsurgency element.

Mr. DELLUMS. So my question, are counterinsurgency programs a component of the joint defense plan, your answer is no, or is that a different question?

Mr. KELLY. That is a different question, Mr. Chairman.

Mr. DELLUMS. That is the point I am making, because we all understand, I have been here 15 years, you have been around a long time, we understand technical responses to technical questions. You have got to ask the question very precisely. I ask it again. Are counterinsurgency programs a part of joint defense plans United States-Philippines? I don't want to put you on the spot personally.

Mr. KELLY. I will have to provide you, sir, a classified subsequent response for the record.

Mr. DELLUMS. I appreciate that. In doing so, would you tell us what the U.S. role would be in such a potential hypothetical theoretical situation.

United States counterinsurgency programs are not included in joint United States-Philippine defense plans. Consequently, the United States does not have a counterinsurgency role in these plans.

Mr. DELLUMS. What are current plans with respect to continuing joint military exercises with the Philippine military?

Mr. KELLY. We do participate with the armed forces of the Philippines in certain joint exercises from time to time, and there are no plans that I am aware of to change those. These have been few in number, normally involving air and naval forces.

Mr. DELLUMS. When we talk about Subic Bay and Clark and U.S. presence, we lay out a rationale for potential scenarios in the Pacific. The question that I have—and I think you alluded to this earlier in your remarks—is whether or not we can indeed do on those bases what it is we state we can do or perceive ourselves being able to do, because if we are talking joint facilities on the one hand, and U.S. specific interest on the other, are those two things mutually exclusive? Can you do what it is you think you can do on those bases?

Let me give you a specific example. As we understand, there is an agreement between the Marcos government and the Vietnam government that these facilities shall not be used to allow the United States to invade their territory. Now, heaven forbid that we ever go back down that road again, but the point that I am making is a specific example of whether or not you can do what it is you think you can do from that part of the world.

Mr. KELLY. Perhaps my answer should be by reading from the 1983 review, under a segment called Operational Use of the Bases, and it says:

Within the context of the Philippine sovereignty, the operational use of the bases for military combat operations, other than those conducted in accordance with the Philippine-United States Mutual Defense Treaty and the Southeast Asian Collective Defense Treaty, Manila Pact, or the establishment by the government of the United States of long-range missiles in the bases, shall be the subject of prior consultation with the government of the Philippines notwithstanding the provision of the 1979 amendment to the military bases agreement assuring the United States of unhampered military operations involving its forces in the Philippines.

This says in a number of words that there is a requirement for prior consultation for certain kinds of military operations that the

United States may wish to undertake, and in that sense it involves some potential or theoretical restrictions on our possible use.

Mr. DELLUMS. Gentlemen, I would like to thank you very much. There has been some give and take here. We appreciate it. We have a responsibility. You have a responsibility. We are both trying to carry it out very diligently. This is a very volatile part of the world at this particular moment, and there are implications for what we do in the context of that volatility.

You mentioned earlier that $1.3 billion is a tremendous exaggeration. We need to have the information that allows you to come to that conclusion. You pointed out that several billions of dollars would be necessary to move off these facilities and find alternative facilities. We need to have the information that allows you to reach that conclusion.

We also have a concern that the United States troops do not become inadvertently involved in a situation, we don't want any more Vietnams, certainly not inadvertent involvement that endangers the lives of American troops, and places us in a situation where we get embroiled in a military confrontation in that part of the world. So it is important to us that we understand whether or not counterinsurgency activity is something that we are involved with, particularly since there is an enormous concern for the so-called Communist insurgency in the Philippines as to how far we are prepared to go with that.

As I said, I have been here 15 years, and I can cite cases where we have in covert and overt fashion moved to stop these kinds of situations. What the concern of this gentleman, and I am assuming the concern of the entire subcommittee on either side of the aisle, would be, are there elements in this situation that could lead us down that particular road, and so the questions that we are asking are questions to try to elicit those sorts of responses.

We need to know whether the military facilities and installations in the Philippines are appropriate at this point, whether they are vulnerable at this point, whether the better part of valor or prudence would dictate that we do something different. We don't have the answers today. We are simply trying to open up the box. We are trying to take a look at and take some broad view.

It would be the anticipation of the Chair, and hopefully with the concurrence of my colleagues, that this would only be the first in a series of hearings that we will hold that would lead us to an intelligent set of conclusions about what we do with respect to fiscal year 1987 and military construction implications in that period of time, so this is just a beginning.

Our colleague from New York, Mr. Schumer, gave us the jump-off spot, but that is simply the beginning. That is one area of concern. I think that ought to be pursued to its logical conclusion. Whether this subcommittee ought to do it or not is another question, and I share that with my colleagues, because what we assiduously choose to do here is to stay within the confines of our jurisdiction, which gives us a broad enough latitude to do our job, but whether we ought to become the investigators in this situation is something my colleagues and I will have to ferret out.

I appreciate all three of you gentlemen participating today, Colonel, and to Messrs. Kelly and Monjo, we appreciate your involve-

ment and participation and efforts at trying to answer our questions. We are going to submit additional questions that we would like you to respond to in writing for the record, and at a subsequent time if we want a followup on the part of the subcommittee, we will invite you in enough time to allow you to adequately plan for that. We appreciate it very much.

Do any of you gentlemen have any additional comments you would like to make before we conclude the morning's session?

Mr. KELLY. No, sir, thank you, Mr. Chairman.

Mr. MONJO. Thank you.

Mr. DELLUMS. The subcommittee will stand in recess until 2 p.m., when we will reconvene the second part of these hearings.

[Whereupon, at 12:55 p.m., the subcommittee recessed to 2 p.m. of the same day.]

AFTERNOON SESSION

Mr. DELLUMS. The Subcommittee on Military Installations and Facilities will come to order for the afternoon session of our hearing, as we look at United States presence in the Philippines.

Prior to yielding to our distinguished colleague from the other body, Senator Sasser, the Chair would like to momentarily yield to our distinguished colleague from the Island of Guam, Mr. Blaz, who has just recently returned from the Philippines, who has a few remarks that we both deem relevant to these proceedings.

The Chair would recognize the gentleman for such time as he may consume.

STATEMENT OF HON. BEN BLAZ, A DELEGATE FROM GUAM

Mr. BLAZ. Thank you very much, Mr. Chairman. Indeed I want to share some observations that I think may be helpful in our deliberations here. Over the Thanksgiving holiday I elected to go to the Philippines for a visit. As you know, I come from the Territory of Guam, which is as they say in the South just down the road a piece from the Philippines, and as a result of that, I have always had the feeling that whatever happens to the Philippines in a negative sense affects Guam. Whatever affects Guam, being an American terrritory, affects the United States.

I also made this trip because there has been a lot of newspaper writings about what we should or shouldn't do with the Philippines, and I view the Philippines as a country that was given birth by our Nation, and that we have a very strong ally in that country called the Philippines. I am not here to speak for or against any particular government personality. I am here to speak about this country we call the Philippines.

I asked to see Mr. Marcos, and I was quite surprised, quite frankly, that I was able to see him, and even more surprised that I was able to see him for as long as I did, which was about 30 minutes.

I was even more surprised because I brought with me some cameramen from the Territory, and it was my hope to have my visit with him filmed. While there was initial resistance on the part of security that I couldn't do this, when I said that I come from a free country and I was in a free country, I didn't think that was a prob-

lem, and indeed, it was not a problem immediately, and I was able to film, and I have my own visit on film.

The thing that I want to call to your attention is the fact that when I saw the President, I had previously seen Congressman Solarz and Congressman Jerry Solomon, for obvious reasons, and I had with me a copy of the congressional resolution that made some very strong suggestions on how Mr. Marcos should conduct the election.

I was not unmindful of the fact, Mr. Chairman, that I think if we were to make those kinds of suggestions to another country, that other country might well say, "Hey, you are meddling in my business," and I was a little bit surprised when Mr. Marcos made no such overtures to me when I said, "Have you seen this document."

Rather he said, "Yes, I have seen that document." I said, "How do you feel about the document?" I am paraphrasing now because this conversation took place over several minutes. In effect, he said that if what I have to do to prove my friendship to the United States and to allay the fears of my supporters in the Congress is to observe the suggestions by the distinguished Members of the Congress, then I will do that.

I went a step further and I said, "Does that mean, sir, that you will not use the armed forces to police the election day activities?" and he said, "Yes, it means that." I said, "Does that mean that you will have members of the opposition" and he said, "Yes, it does." I was satisfied that indeed he had this intention.

I then discussed other things with him, just actually exchanged amenities between one soldier and another soldier type thing, but also between one neighbor and another neighbor.

And I think this is the significance of my relationship with him. It was not just a stranger from some town in the Continental United States but somebody from just down the road who has shared some very momentous events of history with him, so we have some common heritage from which we were speaking, including American heritage.

I then told the President I wanted to go to see the opposition, just to see his reaction, and he said, "I think you should." That was an unsuspected reaction, judging from what I had heard before, and I did go to see the opposition. I saw Mr. Laurel, and although I was unable to see Mrs. Aquino because the timing of my visit was the anniversary of the birthdate of her late husband, and also the day that I was rescheduled was the delivery of the 1 million-some signatures that was asked for her to be president, I did see three of her closest advisors.

What I saw and what I discussed with them is that if someone had not told me that I was in the Philippines and watching preparations for a campaign, I would have thought I was in Miami, or some other large metropolitan city with an ethnic population and all the fervor and all the vigor and all the talk about a campaign.

I had with me a person, the person who drove me there was from the President's office, and they knew that, and I said, do you mind if the President's driver or what-not, escorts officers, look me? They said, no, and I left him outside. We had the conversation. So there was no pervasive sense of personal insecurity that I had thought quite frankly

Now in discussing the matter with the opposition about the election, they said they were going to go after Mr. Marcos and the question before them was simply which one was going to lead the ticket, Mrs. Aquino or Mr. Laurel, and that wasn't ever any particular interest to me.

What was of interest to me was whether or not indeed there is a notion of getting rid of Clark and Subic. That means a lot to me, because in the American Territory of Guam, it would have to be a spot to which we would have to seriously consider going, and as much as I welcome as a former military officer the presence of American military, as a former military officer also I doubt that we can possibly accommodate the kind of forces that are now resident in the Philippines.

Consequently my conversation with the chief of staff then, General Fidel Ramos, with the Philippine commander of the base at Clark, the American commander in Subic as well as the American commander, not a single responsible person, American or otherwise including embassy people, felt that there was any need to displace those bases.

Furthermore, there was no desire on the Filipinos that I saw. I say to you, Mr. Chairman, that when you look at the Commission, when you look at the Philippines with a negative growth rate, which is the only one enjoying, if that is the word, that kind of growth rate in that part of the world, in the free world, and when we realize what we give to the Philippines, if that is the word, giving to the Philippines, money that amounts to almost a half billion dollars by way of rental and revenues derived from the 30,000, 40,000, 50,000 unskilled laborers that are there—that are doing the work, it would seem to me that no responsible person would want to have a system whereby immediately upon getting offers he would want to bite the hand that is feeding him that kind of money.

There is in the Philippines, in my judgment, among the population a resident sense of loyalty, affection, admiration, it might even be love for the people of the United States. I am not talking about personalities. I am talking about a country, a country that has long associated itself with this country. My point is simply this. I won't even mention Guam.

I will just say that I think our efforts should be less bravado about we don't need them, and realize how important that country is to us, to the United States and to the Philippines and to the free world, and this is the point that I wish to make, Mr. Chairman, and I wish to make it with all the emphasis.

I am making it from the standpoint of a man in the Pacific just like the people in the Philippines are, and people who have been caught in the wars that have been fought out there, and furthermore, in an area of the world that has been recognized by every responsible person including the President, and starting with the President, I should say, as the area that is going to attract the greatest attention of the free world, that is the Pacific Basin.

Perhaps Ambassador Mike Mansfield said it best when we visited Yokoda with Mr Udall and others not too long ago. I was speaking about the decade of the Pacific and he smiled and said the decade

of the Pacific doesn't apply. It isn't the decade of the Pacific. It is the century of the Pacific that we are speaking about.

Mr. Chairman, I submit to you that there might be some instances, well documented, that can say and make a case for, be damned with the Philippines, we don't need the Philippines. It is our son. We gave birth. We gave birth to two countries, sir, Cuba and the Philippines. We lost Cuba. We must not lose the Philippines. We must concentrate on trying to retain the Philippines, in the interests of the United States and the Philippines, the free world, and by the way Guam.

Mr. DELLUMS. I thank the gentleman very much for his observations. Thank you for sharing your experiences on your most recent trip. I think they do have import and significance to these proceedings. I thank the gentleman.

Mr. BLAZ. Thank you, sir. I ask to be excused since I have a hearing of my other committee, sir.

Mr. DELLUMS. We understand that and that is why I wanted to say to the Senator why I wanted to provide you with this opportunity, for the gentleman is in a unique situation where he has to also appear at another hearing.

Thank you very much.

Mr. BLAZ. Thank you, Mr. Chairman.

Mr. DELLUMS. The Chair would like to now on behalf of myself, members of the committee and staff, welcome our distinguished colleague from the other body, the distinguished gentleman from the State of Tennessee, Hon. JIM SASSER, who has a great deal of interest in our presence in the Philippines, and we welcome the gentleman's testimony. We have received his remarks and they will appear without objection at the appropriate point in the record, and we yield to the gentleman for such time as he may consume to proceed in any fashion he chooses.

STATEMENT OF HON. JAMES R. SASSER, A SENATOR FROM TENNESSEE

Senator SASSER. I thank you very much, Mr. Chairman, and I wish to commend you this afternoon. I was scheduled to appear I think earlier and this morning, and you were kind enough to allow me to appear here this afternoon instead of this morning.

I want to thank you and the distinguished members of this committee for the opportunity to testify on where we stand with our military construction activities, and the troubled country of the Philippines.

The political climate in the Philippines right now is central to any discussion of our future presence there. I am encouraged frankly by the administration's attempts to communicate our concerns to President Marcos. My colleague, Senator Lugar's trip to Manila was, I believe, a determining factor in President's Marcos' decision to call for new elections.

These elections are a positive sign. But only time will tell if they are a fair, free expression of the majority will of the people of the Philippines. If they become an exercise in political manipulation by a cynical regime, they will only accelerate the deterioration of Phil-

[illegible] society and further weaken the U.S. strategic position in southeast Asia and the Pacific.

It is because of this and other equally threatening contingencies that the United States must have a policy, I believe, of flexibility in the Philippines.

I fully endorse the proposition which I understand was presented here today by several administration witnesses, that the U.S. military bases in the Philippines are vitally important for maintaining the peace in the Far East, in Southeast Asia, and protecting the lifeline from the Persian Gulf.

But as vital as Clark and Subic are, however, we must carefully examine the advisability of maintaining those installations at all cost, especially at the potential cost of defending them with American troops, and I think it can come to that.

It is my judgment that, unless political, economic and military reforms are rapidly adopted in the Philippines, a rigid and inflexible policy on the part of the United States could lead this Nation into another conflict in Southeast Asia.

Without contingency plans, without signaling to the Marcos government that we will not be held hostage to our bases, we may very well find ourselves moving down a one-way road toward a repeat or earlier tragedy in Vietnam.

Mr. Chairman, I am sure you and the members of this committee would know that I and others would not advocate unilaterally pulling out of the Philippines. We must never abandon a vital military facility in fear. But we must now allow ourselves to become so fixed in our views as set in concrete, as to be incapable of any movement at all.

Last summer, I commissioned a study by the staff of the Senate Appropriations Committee on Japan which surveyed military construction requirements in the Philippines. After reviewing that report, I asked the General Accounting Office to conduct a review of the security at our Philippine bases, as well as perhaps suggesting alternatives to these bases, if our position there should become untenable.

I believe that the information we receive from these studies will assist both Houses of Congress in fashioning a Philippines policy that does not force us into impossible actions.

I must say that I am apprehensive that the current policies of this administration could be doing just that. The fact is that the Department of Defense has never, never conducted a thorough study of Philippine base alternatives. Administration witnesses testify that it would cost $5 to $6 billion to duplicate Philippine missions at other locations. That may be true, but the Department of Defense cannot produce a single authoritative study upon which to base such an evaluation.

I am pleased to report that the conferees on the military construction appropriations bill have agreed that the Department of Defense must provide several reports to Congress early next year.

First, the conferees have directed that DOD provide the Congress with a report on the adequacies of base security by the end of January. Second, a Lease military construction plan must be submitted by March, so we will know precisely what their plans are by those bases in the Philippines. Third, and perhaps most important,

Unless the United States is perceived, by the majority of the people of the Philippines, as being a force for change, as being a force that will stand up for democracy, as being a force that will stand up for basic economic reforms, we may find ourselves an increasingly unwelcome tenant.

Furthermore, if President Marcos sees us conducting ourselves as if we have no options, that we will stay in the Philippines come what may, that we are going to be forced to support his government come what may, then he will treat us as if we do indeed have no options.

The Marcos government is already planning to seek renegotiations of the military base agreement. President Marcos says he wants the United States to keep the bases of the Philippines, and I don't blame President Marcos, because it is a source of great economic support for his people and his government. But he apparently plans to seek vastly expanded rent for these facilities, greater, much greater, than the $900 million we are paying in the current 5-year period.

If is appears we have no alternative but to stay there, then we I think lose any bargaining room we might have in these upcoming negotiations, and if we continue to cling to a policy that abandons any alternative to the Philippines.

I submit, Mr. Chairman, in spite of testimony that the committee may have heard this morning, that there are alternative sites. Granted they would be costly, and granted they would not have the strategic advantages of Clark and Subic, there is no doubt of that, but they would be dependable, they would be secure, they would be defendable.

All of us remember what happened in Vietnam with Cam Ranh Bay. There the U.S. Government and U.S. taxpayers built one of the most elaborate naval facilities in the world, some say the best naval facility in all of Southeat Asia. Today the Soviet Union and the Soviet Navy operates out of Cam Ranh Bay. They presently operate between 20 and 25 major surface vessels out of Cam Ranh. They are presently operating anywhere from 4 to 10 submarines out of that same naval installation.

I don't want to see that unfortunate episode repeated in the Philippines. I would say that that is a longshot possibility at the present time. But I do not feel that we ought to continue to put money into the type bases without developing contingency plans in the event that we have to get out.

From a strategic perspective, and from an economic perspective, from a practical perspective, and indeed, Mr. Chairman, even from a moral perspective, I think we have got to pursue a policy of maximum flexibility in the Philippines.

Well, that concludes my testimony, and again, Mr. Chairman, I want to express my gratitude for holding these hearings and I commend you for your leadership in this whole issue.

[The statement of Mr. Sasser follows:]

PREPARED STATEMENT OF HON. JAMES R. SASSER

Mr. Chairman, I want to commend you for holding these hearings at this crucial juncture in our relations with the Philippines. I also want to thank you for provid-

ing me with this opportunity to testify on where we stand with our military construction activities in that troubled country.

The political climate in the Philippines right now is central to any discussion of the future of our presence there. I believe that all Americans have been encouraged by President Reagan's attempts to communicate our concerns to President Marcos. Senator Laxalt's trip to Manila was—I think we all agree—a determining factor in President Marcos's decision to call for new elections.

The elections are a positive sign. But only time will tell if they are to be fair, free expressions of the will of the Filipino people. If they become another exercise in political manipulation by a cynical regime, they will accelerate the deterioration of Philippine societ and further weaken the United States strategic position in Southeast Asia and the Pacific.

It is because of this, and other equally threatening contingencies, that the United States must have a policy of flexibility in the Philippines.

I fully endorse the proposition—presented here today by several administration witnesses—that United States military bases in the Philippines are vitally important for maintaining the peace in the Far East, in Southeast Asia, and in the Persian Gulf.

As vital as Clark and Subic are, however, we must carefully examine the advisability of maintaining those installations at any cost—especially at the potential cost of defending them with American troops.

It is my judgment that, unless political, economic and military reforms are rapidly adopted in the Philippines, a rigid and inflexible policy there could lead this Nation into another Southeast Asian conflict.

Without contingency plans, without clearly signaling to the Marcos Government that we will not be held hostage to our bases, we may very well find ourselves moving down a one-way road toward a repeat of the Vietnam tragedy.

Mr. Chairman, I do not advocate unilaterally pulling out of the Philippines. We must never abandon a vital military facility in fear. But we must also not allow ourselves to become abjectly incapable of any movement at all.

As you know, I commissioned, last summer, a study by the staff of the Senate Appropriations Committee on the issues which surround our military construction requirements in the Philippines. After receiving that report, I asked the General Accounting Office to conduct a review of the security at our Philippine bases—as well as alternatives to those bases.

I believe that the information we receive from these studies will assist Congress in fashioning a Philippines policy that does not force us into imprudent actions.

Unfortunately, I fear that our current policy may be doing precisely that. The fact is, Mr. Chairman, that the Department of Defense has never conducted a thorough study of Philippine base alternatives. Administration witnesses testify that it would cost $2 to $8 billion to duplicate Philippine missions at other locations. That may be true, but the Department of Defense cannot produce a single authoritative study upon which to base such an evaluation.

I am pleased to report that the conferees on the military construction appropriations bill have agreed that the Department of Defense must provide several reports to Congress early next year.

First, DOD has been directed to provide the Congress with a report on the adequacy of base security by the end of January. Second, a five-year military construction plan must be submitted by March. Third, and most important, a plan must be submitted by March 1, which analyzes what mil-con programming might be necessary to prepare alternative basing locations.

Mr. Chairman, I solicit the support of your committee in insuring that the DOD report is more than a rationalization and justification of the principle that there are no alternatives to our current basing strategy in the Philippines.

During consideration of the appropriations bill, the conferees reduced the administration's request for the Philippines by one-third. We still, however, provided for projects totaling more than $80 million. Base commanders in the Philippines would like to see us invest more than $1.3 billion there over the next six or seven years.

No doubt, the administration will scale that wish-list back, but the fact remains that the Department of Defense is proposing to spend hundreds of millions of dollars for military construction in the Philippines in the next five years.

Before we take these steps that will further bind us, further reduce our policy options, and further advance us toward a quagmire in the Philippines, I believe that we must have a thorough and credible study of alternatives from the Department of Defense.

I began by saying that the political Philippine political climate throws these issues into very stark relief indeed. The acquittal of General Ver and his immediate

reinstatement as armed forces chief of staff certainly cast some doubt on President Marcos's willingness to seek democratic reform.

Moreover, in calling snap elections, President Marcos has failed to comply with the Philippine constitution which requires the seat to be vacant before a special election can be called.

Finally, there is a growing consensus that the Philippine Armed Forces are not presently capable of dealing with the growing insurgency of the New People's Army.

In short, we have indications that continued government corruption is increasing the strength of the communist insurgency, and we have fewer assurances that the Marcos regime is able to handle the revolutionary force militarily.

The elections in February could easily intensify all of these trends. And that kind of environment is precisely the wrong time for us to commit ourselves exclusively to a policy of expanding our current bases in the Philippines.

Mr. Chairman, the Marcos dynasty will eventually come to an end. There is no question about that. The question is whether it will be replaced by a government that is favorable to the United States. The way we handle the base issue in the coming months may determine the answer to that question.

Unless the United States is perceived, by the majority of the Filipino people, as being a force for change and democracy, we will find ourselves an increasingly unwelcome tenant.

Furthermore, if President Marcos sees us acting as if we have no options, he will treat us as if we have no options.

The Marcos Government is already planning to seek renegotiation of the military base agreement. President Marcos says that he wants the United States to keep the bases in the Philippines. But he apparently plans to seek vastly expanded rent for those facilities—even greater than the $900 million we are paying in the current five-year period.

Once again, the United States will have no bargaining room in those negotiations if we continue to cling to a policy that abandons any alternative to the Philippines.

There are alternative sites. They would be costly, and they would not have the strategic advantages of Clark and Subic. But they would be defendable and they would be secure.

All of us fear, I believe, a repeat of Cam Ranh Bay. There we built the Soviets their best, indeed their only, Southeast Asian naval port.

We must work to see that that unfortunate episode is not repeated.

From a strategic perspective, from an economic perspective, from a practical perspective, and from a moral perspective, we must pursue a policy of maximum flexibility in the Philippines.

Mr. Chairman, that concludes my testimony. Again, thank you for permitting me to present my views here today.

Mr. DELLUMS. I would like to thank the gentleman from Tennessee very much for his kind remarks with respect to the committee, and thank you very much for your opening statement. It is very relevant to these proceedings. As a matter of fact, as you gave your testimony, it seems as though you were here this morning anyway, because the very same conclusions you have drawn were conclusions that members of this subcommittee have drawn as a result of the testimony.

Are you available for questions, Senator?

Senator SASSER. Oh, yes, as long as the questions aren't too difficult, Mr. Chairman, I will try to answer them.

Mr. DELLUMS. We will try hard. The Chair will recognize Mr. Ray for such time as the gentleman may consume.

Mr. RAY. Thank you, Mr. Chairman. We welcome Senator Sassser.

Senator SASSER. Thank you.

Mr. RAY. I do not think that we could pose any questions that would be too difficult for you.

Senator SASSER. You are very kind.

Mr. RAY. Seeing you in action through the years I know you will be very capable. Does your study identify to the extent of the cur-

rent base security that we have in the Philippines now, did you dig into that pretty deeply?

Senator SASSER. Yes, we did, Congressman, and we found that base security at the Philippines now, in the Philippine bases now, is inadequate. There have been denials of this by the Department of Defense, but our research indicated that there are very serious security lapses to the extent that units of the National People's Army, for example, have encamped within the confines of at least one of the American military bases in the Philippines.

We found that guard towers that were supposed to have been manned by the type army under an agreement with the United States were unmanned, all unmanned, and were used by children as playhouses.

We found that fences that were supposed to circumscribe one of the places had been taken down, the chain link fence had been stolen in places, taken down and sold in other places by people who lived adjacent to the base, and that people also who lived adjacent to the base had taken some of the chain link fence down and were using it to fence the perimeter of their houses so their pigs and chickens, for example, would not get out, so that gives you an example of the lax security there.

Just let me say this: there was an incident reported by the staff investigator of AWAC aircraft flown in I think from Guam or Okinawa into the Philippines, Clark Air Force Base there, to escape a typhoon. These AWAC's that constituted I think the majority of our AWAC capability in Southeast Asia were marked nose to tail in such a way that anybody with a bazooka or short range mortar could have simply knocked them out.

There was very little fence and almost no security separating these very expensive and very vital AWAC aircraft from territory that people were coming and going in.

Mr. RAY. The disturbing thing that our committee has uncovered, that around the world, really particularly in Europe, we are very lacking in base security and in particular point air defense. It would seem to me, and I kind of concur with you, that if any military construction money is going to be programmed, we should program it toward some sort of a better security there.

One final question. What do you perceive would happen should we look at other options, and the situation deteriorates to the point that we exercise those options and left there. What do you think the Philippines would do with those two bases there? Would they then turn around and lease them to the Russians?

Senator SASSER. That is very difficult to say. Hopefully even if we were forced to leave the Philippines, that the government that came to power that might be hostile to the United States would not want Soviet military forces on their territory, but that is a very difficult question to answer, and I think we would only have to speculate.

At the present time the insurgency there, I am sure the distinguished Congressman knows, the National People's Army appears to be fed internally with regard to weapons and other necessities of waging a revolution.

There appears to be no aid coming from the outside at the present time. There appears to be no aid coming to them from the

Soviet Union. So we don't know what the reaction would be to any successor Philippine government if those bases were vacant.

Mr. RAY. I had observed that Mrs. Marcos had traveled to the Soviet Union and had a very pleasant visit in recent months, and it was of some concern to me that the relationship might be improving there.

Mr. Chairman, thank you, and thank you, Senator Sasser.

Senator SASSER. Congressman, if I could beg your indulgence just for a moment to digress, in answer to your question about the security of the Philippine bases, I have here an issue of the Pacific Stars and Stripes dated September 23, 1985, and the headline of the story says "General denies risk to Clark Air Force Base," talking about security risk. And then it has a photograph on the front page of a Filipino boy running through a hole in the chain link fence that surrounds Clark Air Force Base, and the captions read "A Filipino boy runs through the Clark Air Base perimeter fence to join playmates on base."

Now, I don't know whether the editor of the Stars and Stripes didn't proofread this front page carefully enough or not, but there is graphic evidence of the lack of security in Clark Air Force Base.

Mr. RAY. Thank you, sir.

Mr. DELLUMS. Does that conclude the gentleman's questioning? The time of the gentleman has expired.

The gentleman from New York, Mr. Martin, is recognized for such time as he may consume.

Mr. MARTIN. Thank you very much, Mr. Chairman, and thank you very much, Senator Sassser, for your statement and contribution.

You mentioned in your prepared text that there are alternative sites. I have been there both as a tourist and at the expense of the government during the Vietnam war. I was at Clark and Subic in transit to Vietnam and was impressed with the enormity of our investment even back in 1968-69 timeframe.

Under your rule that questions not be too difficult, I will preface it, would you care to site some alternative sites in the area of similar strategic importance and similar facilities that might be available, and where would you look to in our list?

Senator SASSER. Congressman Martin, I would have to begin by conceding, as I did in my prepared statement, that there are no sites that would be as strategically satisfactory as those of the Philippines, and certainly there is no site that would be a substitute for Subic Naval Base.

Now I think we could find basing for our aircraft that would be almost if not as good as the basing at Clark Air Force Base.

For example, F-15's flying out of Guam would consume, say, no more fuel to get to Cam Ranh Bay, it would get there just about as fast as F-4's flying out of Clark Air Force Base could, because of lower rates of fuel consumption, faster speeds, et cetera, so you can find I think satisfactory solutions to the dilemma of finding basing for aircraft, and they could go to Guam, to Tinian. It is a more difficult proposition when you start talking about a suitable naval installation, but there again I think we could explore the possibility of Palau. There has been some discussion perhaps of Japan, basing in Korea, or Guam and Tinian again, but I think that is one reason

that I think it is so urgent that the Department of Defense make an authoritative study of what contingencies might be available, so that we can have on-hand studies that would give us some insight into where the best substitute locations would be, but at the present time it is the names that you hear, Tinian, Guam, Korea, Japan or Palau.

Mr. RAY. Would the Senator agree that any such report be done by DOD would consider the benefit both strategically and financially to perhaps rather than having one big basket, having a number of smaller baskets, not unlike our homeporting here in the United States, so that you don't find yourself in a crisis situation in this decade, the next decade, five decades from now.

Senator SASSER. I would hope that the Department of Defense Study would include that, would not put all of our eggs in one basket, I think for a number of reasons. The one that you just alluded to, if we do confront an unfriendly environment, if we are one base, then we lose everything.

Second, I think it is good policy to spread your military assets out, so that they are not subject to one catastrophic blow such as we suffered, for example, in 1941 at Pearl Harbor.

Mr. RAY. I would certainly agree with the Senator, to the extent that you can disperse those forces consistent with command and control responsibilities, that that should be part of the report as well.

The Senator also spoke to lessons learned at Cam Ranh, where we built one nifty base at phenomenal cost, a beautiful naval base, and it is eerie to fly along the coast now and see the kinds of ships coming in and out of that base that we built.

Perhaps one of the lessons we learned, if under unfortunate circumstances if we ever did leave Subic, perhaps a little more planning in what we leave behind, and those things that cannot be moved be held in such fashion as to not make them available to the next bidder. I thank the Senator and appreciate your coming before the subcommittee.

Senator SASSER. Thank you, Congressman. If I just might say, I think you have put your finger on one of the reasons why I think we should not go forward with very extensive military construction at either Subic or Clark Air Force Base until the political situation there is stablized.

Mr. DELLUMS. Does that conclude the gentleman's questioning?

Mr. MARTIN. Yes.

Mr. DELLUMS. The time of the gentleman has expired. Senator, if you have a few more moments I would like to walk through some of your testimony, because you have made a number of very important statements, and I would like to try to provide you with an opportunity to expand upon it.

First of all, let me turn your attention to page 2 of your testimony. I am assuming when you say in that second paragraph, "The United States must have a policy of flexibility in the Philippines," is that what you were alluding to when you were responding to Mr. Martin, when you said we should not have all of our eggs in one basket, spread your military assets out, develop contingency plans, and have alternative sites, this is what you meant in this comment, that we must develop flexibility.

Senator SASSER. Yes, Mr. Chairman, precisely. I think we ought to have a contingency plan which would lay out a fallback position, if our bases in the Philippines should become untenable, and I think it might be the best part of valor if it can be done to spread our assets out, our military assets out, rather than putting them in one location.

Mr. DELLUMS. You state further that "as vital as Clark and Subic are, however, we must carefully examine the advisability of maintaining those installations at any cost, especially at the potential cost of defending them with American troops," and then I wrote in, because you used a point of departure, you said, "and it can come to that." I would appreciate it if you would expand upon how it can come to that, where American troops can be introduced into a situation where they are defending these military bases in the Philippines.

Senator SASSER. Well, Mr. Chairman, as the chairman knows as well as I, the National People's Army is now growing by geometric ratio. Intelligence reports that have been published in the Popular Press indicate that there are at least 15,000 men under arms now in the National People's Army, that they are operating in a majority of the provinces in the Philippines, that they are continuing to grow in manpower everyday, and in the degree of weaponry that is at their disposal every day, that the type army appears to be incapable of defeating this growing insurgency.

And in the ordinary course of affairs, history has shown as these popular revolutionary movements continue to grow, that finally it comes to the point where American advisors go in, and then the ultimate conclusion is American troops themselves drawing the line, and I don't think, given the rapidity with which the NPA is growing now, and given the ineffective necessity of the Marcos Government in dealing with them, I don't think that it is improbable to say that in 2 or 3 or 4 years we could be confronted with a situation of armed NPA units beating on the gates of both Clark and Subic.

Mr. DELLUMS. You stated on page 3, and I am assuming that part of your responses address this, you state that "Without contingency plans" et cetera, "we may very well find ourselves moving down a one-way road toward a repeat of the Vietnam tragedy."

Can you expand upon that?

Senator SASSER. Well, I think in Vietnam we were in a situation where the government of that unhappy country and the armed forces of that unhappy country simply were unable to cope with both external and internal forces that were hostile to it, and we attempted to stabilize the situation first with economic aid backed with military aid, and finally ran the whole gamut until we were putting our military formations in there in division force, and it is conceivable that that could also happen in the Philippines, if we take the view that Subic and Clark are so vital to our national interests that we are going to defend them at any cost, and that we are going to have no contingency plans, that we are going to draw a line in the sand and simply say, you shall not pass beyond this point, that is the perimeter of these bases.

Ultimately we may find ourselves defending them with American troops, but I think before it came to that, we wouid follow the

time honored tradition of American advisors and then just spiral down from there.

Mr. DELLUMS. I appreciate your response to the questions. That is what you mean on page 4 when you allude to imprudent actions, and that you fear that our current policy is leading us down that road. What you mean by that very precisely is that this tenacious clinging to the notion that Subic and Clark are imperative and that there are no alternatives leads us down the road towards these kinds of imprudent acts that could indeed involve us in military confrontation in the Philippines.

Senator SASSER. Yes; I do think that is true, and I don't understand. The basic to my concept of military doctrine that there is always a contingency plan. There is always a fallback position, but here there doesn't seem to be one.

Mr. DELLUMS. You are absolutely right, because this morning I asked these questions in a very, very specific and pointed fashion, and they used the term "remote possibilities." Therefore, these are gross hypotheticals. Therefore, we have not considered any significant alternatives, no major contingencies.

Then I said, well how can you state that finding alternatives could cost as much as $8 billion when you have never considered contingencies or alternatives? How did you arrive at the $8 billion? And they could not answer my question. And so you are absolutely right when you state on page 4 of your testimony that they have not been able to produce one single authoritative study that would lead one to believe that this figure $2 to $8 billion is very real, so I join you in raising these questions because on one page of your testimony you say on page 5:

> I solicit the support of your committee in assuring that the DOD report is more than a rationalization and justification for the principle of not having alternatives.

We join you in that very significantly, because this morning it was very, very clear that they apparently have spent literally no time in developing alternatives, and I think you are absolutely correct.

Without that kind of flexibility, we are just walking ourselves into a corner that could portend very difficult things for our troops stationed over there.

Mr. MARTIN. Would the chairman yield to me?

Mr. DELLUMS. I certainly will yield to the gentleman.

Mr. MARTIN. Certainly I support the study and certainly we ought to plan for any contingencies. Good God, we have contingency plans in our Department of Defense for things that are a lot more improbable than wehther or not we are going to be using Subic and Clark, but I want to make sure, Senator, you have an opportunity to speak to the point, make sure I understand him, that the Vietnam syndrome, scenario or whatever you want to call it as to whether or not it could lead to some type of armed conflict, to insure that we have the use of those bases. I am sure that the Senator is not suggesting at this point that the defense of those bases, in the interests of our national defense, is something, an alternative that we wouldn't use.

I am sure we don't want to do away with that alternative. If we have a commitment and a lease for those kinds of bases, I think no

one should think that we are going to leave rather than defend what is our asset. That isn't what the Senator was saying, that if it came to that, we would give up the bases, the use of them, rather than to defend our rightful interest in them.

Senator SASSER. Congressman Martin, the point that I was trying to make, and certainly I think this administration, any successor administration, I would hope, would defend our legal rights to stay in those bases as long as we are there lawfully, but my point is this. I don't want to see us get locked into a situation here where we don't have the ability to act really in our ultimate national interest.

I don't want to see us in a situation where we have no place to go except stand there with our back to the wall and say, we cast the dice here. Either we win here or we lose here. If we lose here we have no bases in this region of the world.

Mr. MARTIN. I assume that is what the Senator meant and I am glad he clarified that. I didn't want anybody to come away with the wrong conclusion. We aren't going to be chased out of there any more than we are chased out of any other place. If we have a right we ought of defend that. Again, I thank the chairman for yielding.

Mr. DELLUMS. Senator Sasser, you indicate at the bottom of page 5 that "base commanders in the Philippines would like to see us invest more than $1.3 billion over the next 6 or 7 years."

Now this morning a Pentagon witness responded very specifically to the $1.3 billion figure that was used in the staff report and said that that $1.3 billion is grossly exaggerated. That is the term they used this morning. But they could not give us a better figure, and so I would like if you could submit to us today, or if not for the record, could you provide the committee with information that you and your staff used in arriving at the $1.3 billion figure so that we could determine the effcacy of the remark that the $1.3 billion is grossly exaggerated.

Senator SASSER. Yes, we can, Mr. Chairman. I would like to provide that for the record. I think I can say to you now orally that those were the figures that were developed during our staff trip to the Philippines and those were figures that were bouncing around in lower echelons over at the Pentagon some months ago.

I would have to say in all candor that those figures, I don't think, had made it to the very highest levels, but they were certainly being talked about and those were the plans at least at the middle levels of the Pentagon. We will furnish that precisely for the record.

Mr. DELLUMS. We would appreciate it very much.

Now, on page 7 where you begin to speak to the question of the elections you referred to the Senate elections and then further along I noted here the elections in February could easily intensify all of these trends, and you have laid out some negative trends.

You know, there is a body of thought in the country looking at the situation that would suggest that calling for these so-called free elections is really more of a ruse than anything else. They base their notions on the following: No. 1, the BBC, not the British Broadcasting Company, but the BBC did a poll that indicates that somewhere around 52 percent of the people believe that Mr. Marcos will win the election.

Couple that with the fact that his party appears to be the only party with organizational capability to put on a national election, couple that with the fact that patronage is a very important factor and we can allude to some areas in our own country where patronage has played a very important role in determining the outcome of elections, when you put those three factors together that the likelihood of Mr. Marcos losing the election is extraordinarily remote.

Now, is this what you are alluding to when you say that the elections in February could easily intensify all these trends because you are not quite sure that it would be construed by the people in the Philippines as really a fair and open and, quote, democratic election?

Senator SASSER. Yes, Mr. Chairman, If the election should be won by Mr. Marcos and I think the popular feeling was the elections in the Philippines were not fair and they were held in a way that tilted the results in the direction of Marcos, then I think this would indeed intensify the trends that are presently there to the disadvantage of the Marcos Government and to the disadvantage of the United States.

Mr. DELLUMS. Just one final thing. We appreciate the fact that you have provided the committee with copies of your staff report to the committee in the other body and we intend to study it extensively, but I would appreciate it if, time permitting, you would lay out for the committee the highlights or the significant inclusions you think are embodied in the report you have submitted to us.

Senator SASSER. I think, No. 1, the report indicates that we do very much need to beef up our security at both Subic and Clark Air Force Base, that these bases could be very vulnerable to attacks that would endanger U.S. military personnel and could damage or destroy some very expensive military equipment.

Second, we take the position in the report that there should be no extensive expenditures of money for substantial improvements other than security improvements at the bases in the Philippines until the political situation stabilizes and until I think the essential elements of that ultimate stability, if it is to come, must come about through basic social and military and economic reforms in that country.

Mr. DELLUMS. I would like to thank you very much.

Are there any additional questions we would like to ask of the Senator?

Senator Sasser, we would like to thank you very much, first of all, for submitting the report to us; second, for indicating your keen interest and concerns with repect to this issue; and, third, for taking time out of your schedule to come over and appear before this subcommittee.

You have done us an important service and I think made a major contribution to these proceedings and we thank you very much.

Senator SASSER. Thank you, Mr. Chairman.

Mr. DELLUMS. Our next witness this afternoon is Dr. George Kahin, professor of international relations, Cornell University.

We would like to welcome the gentleman before the subcommittee this afternoon and would like to state to you, Doctor, we re-

ceived the full text of your remarks and without objection, they will appear at the appropriate point in these proceedings and the Chair yields to you, and you may proceed in any fashion you choose.

STATEMENT OF DR. GEORGE McT. KAHIN, PROFESSOR OF INTERNATIONAL RELATIONS, CORNELL UNIVERSITY

Dr. KAHIN. Thank you, Mr. Chairman.

I value this opportunity to appear before your committee because I am deeply concerned about the viability of our bases in the Philippines. I should perhaps say that my testimony reflects some 40 years of study of international politics and domestic politics in Southeast Asia, a longstanding concern with regard to the viability of our mutual defense treaty as well as the bases, and it draws upon a recent visit to Clark and Subic and long discussions with American officials including two substantial sessions with Mr. Marcos.

This also reflects a study I made earlier this year on Guam as to existing and potential facilities there in the Northern Marianas.

Mr. Chairman, if there is anything like an iron law governing the viability of bases, it surely is that none, no matter how splendid its facilities and its geographic position, is any safer than the political ground on which it stands. Yet, so wed is the Pentagon to our Philippine bases for them it makes an exception to that maxim. But, in fact, both Clark and Subic rest on political sand.

Nevertheless, wishful thinking, and I am afraid I must observe a measure of complacent arrogance, have brought the administration seriously to underestimate political realities in the Philippines and assume that we can so manage develops there as to insure that the foundations of our bases will be sustained. That sort of myopia was reflected in the Pentagon's recent statement that it would spend large sums to upgrade the bases and that we intended to make use of them at least until 1991.

This move so insensitive to the political forces in the Philippines and so contrary to elementary prudence, locks the United States on a course which before 1991 is ever reached is very likely to plunk us into a quagmire of fruitless counterinsurgency there.

Moreover, that announcement clearly undercuts whatever political leverage this administration has had with Mr. Marcos because it was a clear signal that despite the administration's 11th hour criticism of his rule, it will, at the most fundamental level, continue to back him because ongoing access to the bases requires at least tacit support of whoever sits in power in Malacanon and whoever controls the army.

Whatever capacity, we still may have to encourage economic and political change in the Philippines and certainly that should not be exaggerated, it is futile to attempt this with one hand while the other doggedly holds onto the bases. Thus, it is that congressional tinkering with the relative sizes of the military and economic components of the rental that we pay to the Philippines have only a very marginal effect.

There are two levels of threat to our Philippine installations. The first comes on the currents of national system that squarely surround them and on which they now stand.

These currents are spasmodically exploited not only by Marcos but by his Communist and non-Communist opposition, as well. Now, the surrender of Philippine sovereignty involved in the base agreements is, in fact, very extensive but while that feature makes them especially attractive to our military, it at the same time furnishes Filipino critics with arguments couched in terms of patriotic outrage.

The potential for a stronger nationalist backlash stems not only from an increasing popular appreciation of the extent of that surrender and the growing belief that nuclear weapons, understood to be stored at the bases, constitute a magnet for Soviet missiles in case of a conflict between the superpowers. Equally relevant is the fact that the agreements governing the use of the bases, particularly the amendments that were negotiated in 1979, 1983, they, as with the ongoing Mutual Defense Treaty, are replete with ambiguities whereby key clauses are open to conflicting interpretations, interpretations which under stress could easily lead to serious dispute.

I think you are quite aware running through these agreements are two fundamentally incompatible provisions—"full Philippine sovereignty" over the bases on the part of the Philippines, and "unhampered use" of the facilities by the United States. These clearly discordant attributes can coexist only so long as Manila finds it expedient to yield on the issue of sovereignty. But heightened nationalist sensitivity, domestic political pressures or insurgent activity could easily disrupt this tenuous accommodation. I submit that it is manifestly foolish to rest American strategic interest on the assumption that when the chips are down this clear incompatibility will necessarily be resolved in favor of the United States.

Another fertile ground for dispute lies in the 1983 amendments for prior consultation with Manila before we use these bases for U.S. military combat operations outside the Philippines, and I have assessed that in some detail in my written statement.

But clearly, one of the clearest derogation of Philippine sovereignty and one that could easily provoke disputes and arouse a hostile nationalist reaction is a little known feature of the present agreement whereby U.S. base commanders do have the right to send American forces outside the bases to participate in security activities.

I was just astonished when this morning Mr. Kelly disclaimed any knowledge of this. It is in black and white in the 1979 agreement. There is no indication in the agreement, there is no stipulation as to the constraints there operative as to how far outside the base areas an American commander can be involved in counterinsurgency.

Similarly, there are serious differences of interpretation with respect to the United States-Philippine Mutual Defense Treaty, and here the problem is not merely latent, but in important respects has already surfaced. I have gone into that in my statement.

Moreover, recently with respect to that treaty, Marcos and his Defense Minister, Juan Ponce Enrile, have made public statements

suggesting evidence of outside backing of the insurgents, that is, of the insurgent-led New People's Army, would be sufficient to invoke the Mutual Defense Treaty, to invoke it and to warrant a request for support from U.S. combat troops.

Enrile told me if it were established that a foreign country was sending in arms or financial support to the NPA that that in itself would be sufficient to activate the treaty and such a request for American forces. Undoubtedly, it is the New People's Army that poses the major, most immediate threat to Clark and Subic.

Indeed, the commanders——

Mr. DELLUMS. Will the gentleman suspend for a moment?

The acoustics of the building is such that everything you say there comes here and it is very difficult to hear. Thank you. Please proceed.

Dr. KAHIN. The commanders of both of our bases and their staffs all told me that base security against these insurgents from the NPA was their paramount worry. With military presence of the Philippine Armed Forces spread widely throughout the country and unable to contain the NPA insurgency, today at least 20 percent of the rural areas are under NPA domination. One can understand why it is difficult to spare sufficient troops to mount the kind of security in the outer perimeter of the bases that the 1979 base agreements called for.

I might add that the Philippine Army's incapacity to control the country, to control, let's say, more than 80 percent of the country, is why they turn over increasing areas to mercenary home defense forces and the private armies of Marcos' cronies. Thus, if you are going to assess how much of the country is actually controlled by the Philippine Army, it is that 80 percent minus the amount of territory that has been turned over to those two forces. In some areas, say, in Negros Occidentale, it is quite substantial.

The problem is it is the brutality of those forces, particularly toward the rural population, that even more than some of the abuses of the Philippine Army wins major recruits for the NPA.

Currently, I think it is accepted that the NPA does not have the strength to overrun the inner corps of the bases, the U.S. facilities, but it now clearly does have the capacity to move at will through the Philippine outer perimeter and then to harass the interior American facilities enough to severely impair their operation.

It has not chosen to do this, it has the capacity. President Marcos assured me his intelligence indicated for another 2 years the NPA does not contemplate any such action and it will concentrate on what he terms softer targets.

Now, so far the NPA has not concluded that it is to its interest to mortar or otherwise interfere with U.S. base facilities but however accurate are Marcos' intelligence, it would be foolish to assume that NPA leadership might not suddenly conclude that in the context of heightened nationalist feeling the time was ripe for it to gain political advantage from a confrontation with American troops nor in view of the right of U.S. commanders to carry out security measures outside the bases, that is outside even the Philippine perimeter, it is not implausible to assume that an American officer might not impulsively act to a perceived insurgent threat.

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Indeed, Marcos' recently retired Foreign Minister, Mr. Tolentino, told me it was his understanding that if U.S. commanders perceived a NPA threat to the bases they could take preemptive initiatives against the insurgents and would not have to wait until the insurgents had actually approached the Philippine outer perimeter. He went on to say that even if insurgents were in an operation against Filipino Armed Forces in the neighborhood of the bases, not against the bases themselves, that a U.S. commander would have the right to take such preemptive action against them. Whatever the case, given the record, what should one expect President Reagan's reaction would be to shots fired at American servicemen? There is thus a very real possibility that the administration's insistence on holding onto our Philippine bases will drag us into a disastrous quagmire of counterinsurgency that could take the lives of many Americans as well as Filipinos. Yet despite these very real threats to the viability of our bases, the Pentagon proposes to spend large additional sums to upgrade them and it urges this even while the value of our bases is significantly diminishing because the overall center of gravity of American naval and air missions has now shifted westward from the South China Sea toward the Indian Ocean and the Middle East. A 7th Fleet carrier force has been detached to stand at permanent station in the Indian Ocean and there on the island of Diego Garcia major facilities were completed just 2 months ago capable of handling B-52's. Clark Field cannot handle B-52's. The Pentagon's assertion that Philippine bases are vital because of Soviet access to Da Nang and Cam Ranh Bay in Vietnam rings rather hollow in view of Marcos' pledge to Hanoi that he will not permit the United States to use Subic or Clark to mount an attack on Indonesia.

When I talked with him I asked him about this and he said that agreement is still operative. Mr. Chairman, no base, none anywhere in the world, can be duplicated but neither is any base irreplaceable. There are various combinations of facilities whereby overall equivalency in capacity to perform essential missions can be attained.

Certainly in assessing the value and viability of any base, the distance, safety equation is crucial. While global geographic position is constant, the safety factor undergoes constant change as local political and security conditions alter. When the safety factor declines to an unacceptable level, it is clear that prudence requires a readjustment whereby some of the advantages of distance are traded in favor of greater safety so that ongoing effectiveness can be assured.

Now this is a point which we have clearly reached in the western Pacific. The rising danger to our facilities in the Philippines should push us now to begin promptly a process of repositioning our facilities on safer political terrain and we should take advantage from that necessity and disperse those assets so that collectively they will not be so vulnerable as are those now narrowly clustered in the Philippines, in other words, to advert to what the Senator was saying, don't put all our eggs in one basket, spread the risk.

The safest course and the one which in the long run we will probably have to repair to in any case is to shift command and control and the major part of our facilities now located at Clark and

Subic primarily to Guam and to a much lesser degree to the neighboring islands of Saipan, Tinian and Farallon de Medinilla.

Now, Guam constitutes the safest political terrain available to us. Moving most of our facilities now lying so exposed in the Philippines to Guam and the Northern Marianas would probably be the best way of bringing the distance safety factor into balance but while there would be a special fallback with regard to the facilities removed from the Philippines to Guam, we could at the same time carry out, if you will, a fall forward with respect to important missions from which Clark and Subic are most distant.

Some of the Australian bases already available to the United States—there are five of them, both air and sea—are closer to, if not actually on the Indian Ocean, and Singapore sitting right athwart the strategically important Strait of Malacca, is over 1,300 miles closer to the Indian Ocean and the Middle East than Clark or Subic.

An expansion of facilities on Guam with some new facilities on Saipan, Tinian, would in itself be much preferable to remaining on in the Philippines because no longer would we be hostage to political factors that we can't control. But some combination centering on Guam with a secondary focus encompassing Singapore or Australia or both probably offers the most promising alternative.

Now, clearly there will be an increase in ongoing labor costs if this is done and probably an initial increase in capital costs if we moved our bases out of the Philippines to safer political terrain. But with such a move we would have bases upon which we could rely. We would not within a few years suddenly face the dilemma of yielding those bases with no time to develop adequate alternatives or else trying to hold onto them in the face of a hostile Philippine national system and mounting insurgent activity which could quickly reduce their utility and probably lead to the loss of a good many American lives.

Thank you.

[The statement of Dr. Kahin follows:]

PREPARED STATEMENT OF DR. GEORGE M. T. KAHIN

My testimony reflects an ongoing scrutiny of our base agreements and Mutual Defense Treaty with the Philippines that commenced with my first visit to Clark and Subic more than seven years ago. It incorporates findings of a two weeks visit last September during which I spent a day a each base talking to their United States and Philippine Commanders and subsequent discussions in Manila with United States and Philippine officials, including two sessions with President Marcos. It also reflects a study I made on Guam earlier this year of existing and potential facilities there and the Northern Marianas.

Any military base—no matter how splendid its facilities and its geographical positioning—is no safer than the political terrain on which it rests. That is as true for Clark and Subic as any other base, and any realistic assessment of their viability can be no less sensitive to political realities than with American facilities in Western Europe or Japan. Yet so wed is the Pentagon to our Philippine bases that for them it insists on making an exception. In fact, Clark and Subic now rest on shifting political sand. But wishful thinking and a measure of arrogance have brought the administration to underestimate or ignore political realities, that today loom with greater salience than ever, and assume—with an astonishing complacency—that the United States has the capacity to so manage developments in the Philippines as to sustain their foundations.

This stubborn political myopia was highlighted in the Pentagon's inept public announcement this October that it would spend $1.3 billion to upgrade the bases and intended to retain them until at least 1991. That move, so insensitive to political

realities and contrary to elementary prudence, locks the United States on a course which before 1991 is ever reached is very likely to plunge us into a quagmire of fruitless counter-insurgency. Moreover, this announcement undercuts whatever political leverage this administration has had with President Marcos, because it was a clear signal that despite its eleventh hour criticism of his rule it will in the most fundamental sense continue to back him. For ongoing access to the bases requires at least our tacit support of whoever sits in the Presidential palace and controls the Philippine armed forces. So long as we insist on keeping the bases, so long we will continue to skew the balance of political forces in the Philippines in favor of the incumbent. Whatever capacity Washington may still have to encourage economic and political change in the Philippines, it is futile to attempt this with one hand while the other doggedly holds on to the bases. And thus Congressional tinkering with the relative size of the military and economic components of the rental we pay for use of the bases can have only a marginal effect.

There are two levels of treat to our Philippine installations. The first comes from the currents of nationalism that swirl around them and undercut the ground on which they stand. Spasmodic in their intensity, these currents are fitfully exploited not only by Marcos but by his communist and non-communist opposition as well. The surrender of Philippine sovereignty involved in the base agreements is extensive; but while this feature makes them especially attractive to the American military, it at the same time furnishes Filipino critics with strong arguments couched in terms of patriotic outrage. The potential for a stronger nationalist backlash stems not only from an increasing popular appreciation of the extent of this surrender, and the growing belief that the nuclear weapons understood to be stored at the bases constitute a magnet for Soviet missiles in case of a conflict between the superpowers. Equally relevant is the fact that the agreements governing use of the bases, particularly the amendments negotiated in 1979 and 1983, are replete with ambiguities whereby key clauses are open to conflicting interpretations which under stress could easily lead to serious dispute. Running through them are two fundamentally incompatible provisions: "full Philippine sovereignty" over the bases and the "unhampered use" of their facilities by the United States. These clearly discordant attributes can coexist only so long as Manila finds it expedient to yield on the issue of sovereignty. But heightened nationalist sensitivity, domestic political pressures, or insurgent activity could easily disrupt this tenuous accommodation. It is manifestly foolish to rest American strategic interests on the assumption that when the chips are down this glaring incompatibility will necessarily be resolved in favor of the United States.

Another fertile ground for dispute lies in the 1983 amendment's provisions for our "prior consultation" with Manila in using the bases for United States military combat operations outside the Philippines. Here is another major cession of sovereignty, for in these Marcos has waived the right to consultation where either the Philippine-United States Mutual Defense Treaty or the residuum of SEATO are concerned. In the first instance that means anywhere in the area of the Pacific Ocean (including Japan and Korea); and in the second Thailand (under the still existing Rusk-Thant agreement of 1962 that bilateralized SEATO as far as the United States and Thailand are concerned). But that leaves the Indian Ocean and Middle East, and here there is no such waiver. The projection of United States combat forces into these areas through Clark and Subic does require "prior consultation" with Manila. There is no consensus as to whether this means prior Philippine agreement or merely United States notification and passive Philippine acquiescence. So far Philippine military and civilian officials have found it expedient simply to acquiesce; but in the Middle East the national interest of the United States and Philippines are not fully congruent, and it is imprudently unrealistic to assume that situations will not arise there where they will be discordant; when that happens Filipinos may well insist that prior consultation be construed as prior agreement, and if the United States did not then accept this constraint a serious rupture could ensue.

One of the clearest derogations of Philippine sovereignty, and one that could easily provoke disputes and arouse a hostile nationalist reaction, is a little known feature of the present agreement whereby United States base commanders have the right to send American forces outside the bases to "participate in security activities." There are no regulations as to how far outside the bases the United States can engage in counter-insurgency actions nor the conditions that would warrant this. Apart from problems inherent in attempting to coordinate these actions with Philippine government troops, it is, of course, predictable that civilian noncombatants in the areas where the insurgents were operating would be killed as a consequence of cross fire or simply faulty intelligence. The likelihood of that, and the political implications, we should surely have learned from Vietnam.

Similarly, there are serious differences of interpretation with respect to the United States-Philippine Mutual Defense Treaty; and here the problem is not merely latent, but in important respects has already surfaced. A little noted inducement to Marcos in the 1979 negotiations was an exchange of letters that made all the more explicit that the United States is just as obligated to defend Manila's military forces, planes and ships, if attacked outside the Philippines, as it is to defend the islands themselves. Whether or not this obligation extends to Philippine marines ensconced in the potentially oil-rich Spratley islets some two hundred miles to the west of the Philippines—where Chinese, Taiwanese and Vietnamese claims overlap with Manila's—is in dispute. Washington firmly denies that the treaty covers this area, and Manila, especially its armed forces, insists it does.

President Marcos informed me that this difference in interpretation is currently under study, but he observed that if his forces in the Spratleys were attacked and the United States did not come to their aid, there would be a strong reaction among Filipinos—from his own party and especially from the army—calling for renegotiation of the bases agreement. His Minister of Defense, Juan Ponce Enrile, went further, telling me that this would bring an end to Philippine permission to use the bases.

There are also differences as to what it would take to trigger that dimension of the Mutual Defense Treaty pertaining to the Philippine Islands themselves. Marcos and Enrile have made public statements suggesting that evidence of outside backing to the insurgent Communist-led New People's Army (N.P.A.) would do so and warrant a request for support of United States combat troops. Enrile told me that if it were established that a foreign country was sending in arms or financial support to the N.P.A. that would in itself be sufficient to activate the treaty and such a request.

Undoubtedly it is the New People's Army that poses the major and most immediate threat to Clark and Subic. Indeed, their commanders and staffs all told me that base security was their paramount worry; and by this they meant the threat of the N.P.A. insurgents. Defense Minister Enrile said they now muster 18,000 armed men, half of them bearing very modern American weapons. With a military presence spread through almost all of the country's provinces and now controlling about 20% of the rural area, the N.P.A. keeps the Philippine armed forces spread very thin. Thus, they are unable effectively to meet their responsibility of controlling the outer perimeters of Clark and Subic.

When I visited Subic in mid-September I learned that an N.P.A. unit had walked right through the Philippine military's outer perimeter, on through the several miles of its area of responsibility, and right up to the edge of the United States inner core to within mortar range of our ammunition magazine; and there they camped out until they were discovered and United States Marines were called upon to help oust them. On inquiring how this was possible, I learned that only 600 Filipino troops are available to patrol the more than twenty miles of Subic's perimeter, and that since they work an eight-hour watch, no more than 200 are on line at any one time. Roughly the same situation exists with respect to Clark's 26 mile perimeter. Though seven miles of Clark's outer perimeter are fenced, it is not feasible to add to this since Filipino squatters make a living pulling new stretches down almost as fast as they are erected in order to make a living selling the steel mesh to junk dealers. Some of our most expensive planes are in mortar range of base perimeter areas accessible to the N.P.A.

Although currently the N.P.A. does not have the strength to overrun the U.S. inner core of the bases, it now clearly does have the capacity to harass them severely enough to make them largely inoperative. It has not yet chosen to do this, and President Marcos assured me that his intelligence indicates that for another two years it does not contemplate any such action and will concentrate on "softer targets." He does not credit the N.P.A. with an ability to marshall more than 200 men for an attack on either base, even if it elected to, and said that there are Filipino military units in the provinces in which the bases are located that could be summoned to counter such a move. But these forces already have their hands full contesting insurgent advances in these areas, and give the N.P.A.'s current rapid growth, that situation is unlikely to improve.

So far the N.P.A. has not concluded that it is to its interests to mortar or otherwise harass U.S. base facilities. But it is foolish to assume that its leadership might not suddenly conclude that in the context of heightened nationalist feeling the time was propitious for it to gain political advantage from a confrontation with American troops. And even if the N.P.A. leadership had not yet arrived at this conclusion, circumstances could arise where one of its unit commanders might provoke a confrontation. Nor in view of the right of United States commanders to carry out security

measures outside of the bases (beyond the Philippine perimeter), is it implausible to assume that an American officer might not impulsively respond to a perceived insurgent threat. Indeed, the man who until a few months ago served as Marcos' Minister of Foreign Affairs informed me that it was his understanding that if there were an N.P.A. threat to the bases, U.S. commanders could take preemptive initiatives against the insurgents and would not have to wait until they had actually approached the Philippine outer perimeter. Even if insurgents were in an operation against Philippine armed forces in the neighborhood of the bases, and not against the bases themselves, a U.S. commander, he said, would have the right to take action against them. Whatever the case, given the record, what should one expect President Reagan's reaction would be to shots fired at American servicemen? Thus, there is a very real possibility that the administration's bullheaded insistence on holding on to our Philippine bases will drag us into a disastrous quagmire of counter insurgency that could take the lives of many Americans as well as Filipinos.

Yet, despite these very real threats to the viability of our bases, the Pentagon proposes to spend an additional $1.3 billion to upgrade them. Moreover, it is urging this even while their value—is significantly diminishing.

First, the overall center of gravity of American naval and air missions has shifted westward from the South China Sea toward the Indian Ocean and the Middle East. A Seventh Fleet carrier force has already been moved to permanent station in the Indian Ocean; and there on the island of Diego Garcia major facilities have just been completed capable of handling B-52's. (Clark cannot accommodate these planes.)

Second, our Philippine bases and the nuclear weapons understood to be stored there are now within the range of Siberian based SS-20's.

Third, the Pentagon's assertion that Philippine bases are vital because of Soviet access to Danang and Cam Ranh Bay in Vietnam rings hollow in view of Marcos' pledge to Hanoi that he will not permit the United States to use Subic or Clark to mount an attack on Indochina. This agreement, he assured me, is still operative.

No base—none anywhere in the world—can be duplicated; but neither is any irreplaceable. There are various combinations of facilities whereby overall equivalency in capacity to perform essential missions can be attained. In assessing the value and viability of any base, the distance/safety equation is crucial. While global geographic position is constant, the safety factor undergoes constant change as local political and security conditions alter. When the safety factor declines to an unacceptable level, prudence requires a readjustment whereby some of the advantages of distances are traded in favor of greater safety so that ongoing effectiveness can be assured.

This is a point we have clearly reached in the Western Pacific. The rising danger to our facilities in the Philippines should push us now to begin promptly a process of disengaging and re-positioning them on safer political terrain. We should take advantage from this necessity and disperse these assets so that collectively they will be less vulnerable than those now so narrowly clustered in the Philippines. The safest course—and the one which in the long run we will in any case probably have to follow—is to shift the major part of our facilities located at Clark and Subic primarily to Guam, and, to a much lesser degree, the neighboring islands of Tinian and Saipan.

Guam is already a major airbase, able to handle bigger planes than Clark, and it has a large unused airfield (Northwest Field) requiring only minor repairs to its surface, which could accommodate most of the planes now using Clark. Guam has a substantial, under-utilized naval facility at Agana's inner harbor. Existing capacity could be considerably augmented by expanding into the outer harbor on a more permanent basis than was the case during World War II and the Vietnam War. The inner harbor ship repair facility now includes a dry dock capable of handling cruisers and submarine tenders, and nearby is a pier large enough for a carrier or battleship to berth. Guam already houses a major naval communication station (NAVCAMS) which with its 1200 personnel supports the whole 7th Fleet's communications.

An American territory peopled by U.S. citizens, Guam constitutes the safest political terrain available in any relocation. Moving most of our facilities now lying exposed in the Philippines to Guam and the Northern Marianas would probably be the best way of bringing the distance/safety factor into balance. But while there would be a spatial "fall back" with regard to the facilities removed from the Philippines to Guam, we could at the same time carry out a "fall forward" with respect to important missions from which Clark and Subic are most distant. Some of the Australian bases already available to the U.S.—both air and sea—are closer to, if not

actually on (Cockburn Sound), the Indian Ocean. And Singapore, sitting right athwart the strategically important Strait of Malacca, is over 1300 miles closer to the Indian Ocean and Middle East than Clark or Subic.

Singapore has a modern dry dock capable of handling aircraft carriers, while Subic's largest dock cannot. Singapore has modern ship repair facilities that are more extensive than those at Subic. A few U.S. naval vessels are currently repaired there, but this makes hardly a dent in the extensive unused capacity. Moreover, as early as 1979 the Singapore government offered the United States basing rights at its enormous Sembawan-Woodlands complex on the north shore of the island, where the British base was once located. Singapore's military airport can handle all types of United States planes now based at Clark. Our Orion reconnaissance planes that patrol the Indian Ocean are now launched from there, and some of our C-130 Hercules transports and Navy A-4 Skyhawks are given standard depot-level maintenance there. Moreover, Singapore and the United States have a common interest in keeping open the Straits of Malacca; and with the strongest and most modern air force in Southeast Asia, Singapore can significantly supplement American efforts to keep that strategically important passage open.

With relatively little extra outlay a substantial part of those facilities now located in the Philippines that we did not move to Guam could be based on Singapore. Moreover, while there is a severe shortage of adequate housing for United States personnel and their families at and near our Philippine bases, Singapore is considerably overbuilt with regard to modern housing and could easily accommodate such personnel. And for the foreseeable future at least Singapore constitutes much safer political terrain than the Philippines.

This by no means exhausts the inventory of possibilities. An expansion of facilities on Guam with new satellite facilities on Tinian and Saipan would in itself be much preferable to remaining in the Philippines, for we could no longer be hostage to political factors we cannot control. But some combination of centering on Guam with a secondary focus encompassing Singapore or Australia, or both, probably offers the most promising alternative.

In testifying a little over two years ago before the House Foreign Affairs Committee, Admiral Robert L. J. Long, then CINCPAC and now Chairman of the J.C.S., estimated that to replicate the facilities at Subic would cost $2 to $3 billion, and an additional $1 billion if training areas were included. We have recently acquired adequate areas suitable for training on Tinian and Farallon de Medinilla in the Northern Marianas near Guam. A considerable start at replication of installations is already available in Guam's existing excess capacity. The $1.3 billion the Pentagon insists on using for upgrading the Philippine bases could instead be allocated to supplement this and/or upgrade facilities elsewhere. This amount, taken together with the nearly $200 million we currently pay Marcos annually as base rental, could come close to meeting Admiral Long's estimate for replicating Subic's facilities.

Given the availability of Northwest Field on Guam (not to mention repairable airstrips on Tinian), the costs of moving planes from Clark to Guam would be relatively inexpensive. Since one of the priorities of the 13th Air Force is the defense of Korea and Japan, some of its currently Clark-based planes would be better positioned if they utilized the excess capacity available at Kadena Airbase on Okinawa. And it should be noted that Guam and Tinian are about as close to Tokyo as is Clark.

It would cost somewhat more with respect to both capital outlay and ongoing labor costs if we moved our bases out of the Philippines to safer political ground. But with such a move we would have bases upon which we could rely. We would not within a few years suddenly face the dilemma of yielding them, with no time to develop adequate alternatives, or trying to hold on to them in the face of a hostile Philippine nationalism and mounting insurgent activity which could quickly reduce their utility and probably lead to the loss of a good many American lives.

Mr. DELLUMS. Thank you very much, Doctor, for your opening statement and the Chair would yield to the gentleman from Georgia for such time as he may consider.

Mr. RAY. Thank you. It was a very nice statement.

Mr. Chairman, I apologize for the conversation that took place earlier.

Mr. DELLUMS. It is just acoustically it comes right here.

Mr. RAY. Thank you. I am sorry. It won't happen again.

Would you think that we should move our certain functions out of the Philippines to reduce our risk there, increase our ability to bargain and negotiate on the rental instance, would you think that might be a good strategy if we could move—obviously at some point in time if we have to abandon or leave those bases we are going to leave them available to an enemy, an adversary that we wouldn't want to occupy there. But would you suggest that maybe we ought to consider reducing our risk by moving certain functions that maybe might even reduce the employment of Filipinos there and so forth that might at least get the attention of the government that we do—you know, dollars circulate around a community I understand 15 or 16 times before they get out of circulation. So I think we should focus on the fact that we are a great economic power there and we might ought to go ahead and move in that direction. What is your opinion? Would you have any comments along that line?

Dr. KAHIN. I would agree with you a clear signal we are intent upon removing at least part of our facilities would probably give us greater leverage with the Philippine Government. I don't think that that should be our end objective.

I think we should with all deliberate speed go beyond that and gradually move our facilities out and immediately begin to develop alternative facilities elsewhere.

Mr. RAY. In your opinion, what position would we be in with a heavy investment in buildings and runways and facilities and shipbuilding and repair facilities there leaving for use by maybe an adversary?

Dr. KAHIN. I doubt they would go to an adversary because even though it is quite true there is a generational change in the Philippines whereby we can no longer count upon the majority of the Filipino people to look at us in a benign sort of way, by the same token, there is also considerable hostility among many of those same people to any foreign presence. whether it is American or Russian, in those bases. I think one cannot underestimate the strength of Philippine nationalism which insists that no foreign presence be given a—military presence be given a foothold in the Philippines.

Mr. RAY. You obviously from your report that you have given us in a very fine way have been on the base. You have observed it. Is the base defensible?

Presently we are relying, as you said, on 600 Filipino soldiers to police it, 200 at a time, 24 hours a day in shifts. But is it defensible if we change our tactics? Can we police it and defend it and protect the fencing perimeters in a better way if we change that practice and actually begin to defend it ourselves?

Dr. KAHIN. Well, if we do that we run into problems of, for example, with the Filipinos. One of the main objectives, Congressman, in the 1979 agreement was to establish a Philippine outer perimeter so that there would be a buffer between us and the Philippine people, particularly squatters in the base area. If you remove that buffer, then you are in a situation where you will have more friction again with Filipinos outside the base which is a major cause of nationalist reaction and was so before.

So you can't have both. We could, no doubt, we could defend our facilities, but we could do so only by being willing to sacrifice American lives and we could do so with no clear indication as to how far we would have to go militarily to maintain control of those bases.

Given mortar range, the likelihood that our bases could remain really effective is not very great. I recall that when we moved into Da Nang in 1965 there was no expectation that our Marines would have to be sent outside of the base, yet within a week General Westmoreland was quite correctly saying that you can't have a static defense.

Our Marines have to patrol actively at least out to the area of mortar range on the part of our opponents. That is at least 4 miles.

Mr. RAY. The outer perimeter then would serve as a buffer but do we have a defensible inner perimeter?

Dr. KAHIN. It is much more defensible than the outer perimeter, but there are some problems here. It is fairly extensive. For instance, at Clark there is an area of almost 7 miles where the Philippine perimeter and the American perimeter are a single line. They overlap. Right outside the fence—there is 7 miles of fence still extant. Most of it has been torn down—or some 4,000 Philippine squatters. Altogether, there are over 20,000 on the base.

Among those squatters there are a great many people who look to the NPA. We know that.

Mr. RAY. Thank you sir.

Thank you, Mr. Chairman.

Mr. DELLUMS. The time of the gentleman has expired.

Doctor, I would like to first ask this question. Do you believe that the United States would be able to continue to use the facilities at Subic and Clark if any other person, if any person other than President Marcos were to win the election?

Dr. KAHIN. That certainly is a central question. As I think you may have heard among the non-communist opposition there has been some backing and feeling, but now the position of the majority of the non-communist opposition is the bases will have to go. They don't stipulate exactly how soon, but the problem is if the non-communist opposition is going to maintain a feasible competition with the NPA or rather its outer perimeter, which has attracted a lot of non-communists as well, of support, it is going to have to do so in terms of Philippine nationalists.

Certainly the tide for Philippine nationalism is now running in favor of eliminating foreign military presences from whatever country. It is very hard to measure this but I think an indication of it is the fact that the people who constitute the non-communist opposition have felt that it is to their interest not to be in a position where they can be tarred by the National Democratic Front, the outer circle of the NPA, as being supporters of an American military presence in the Philippines.

Mr. DELLUMS. As I understand it, Doctor, you had a face-to-face conversation with Mr. Marcos and part of that conversation addressed the issue of missions carried out at the two facilities and weapons deployed or ostensibly deployed at those two facilities. I hope you would feel free to discuss, talk with us about that conversation and give us your perceptions.

Dr. KAHIN. I would be glad to. I should probably mention some pertinent background. I didn't seek an interview with Mr. Marcos. It was after I had asked some fairly searching questions, the couple of days I spent at the bases of both the Philippine and American commanders that he initially called me over to the palace, asked me if I would come over and said to me that he understood that I was asking questions that others had difficulty in answering and that if I wanted, he would provide me as much time as I wanted in answering those.

Indeed, the next time I saw him I spent 2½ hours with him going over this so that although not all of these answers were as on target as I would like, I think I learned a good bit.

Perhaps you could be more specific, sir, as to what area with regard to the agreements you would like me to refer to, the Mutual Defense Treaty?

Mr. DELLUMS. Yes. Let's begin with that.

Dr. KAHIN. This is one of the things that has commanded my interest and, therefore I asked him about it. It pertains to the fact that in the 1979 negotiations one of the inducements that we made to Marcos was not monetary, but it was that we agreed that that provision in the 1951 Mutual Defense Treaty relating to areas outside of the Philippines, Philippine forces operating there, would have—that the American obligation would be equivalent to back up the Filipino forces there in case of an attack equivalent to our obligation of Philippine home territory themselves.

This is important because Marcos has positioned about 1,000 Philippine marines out in the Stratley Islets, well out into the South China Sea where there are overlapping claims because of expectations of oil between Philippines, Beijing Government, Taipei Government and Hanoi.

The United States clearly wants to have this an exception to the agreement because the Mutual Defense Treaty covers the whole of the Pacific. It has been our position privately that we would not back up Philippine forces there if they got in trouble. Filipinos, on the other hand, certainly their military and also Marcos, believe that we have that obligation.

Marcos told me that, yes, there is conflict about this. It is under study. I asked him what would happen if Philippine forces in the Stratleys got into trouble and we didn't support them. He said in that case it would be clear that the armed forces and his own party, the KBL, would insist the base agreements be negotiated.

When I talked to Defense Minister Enrile, he went further than that. He said if that happens the bases would be closed down because of the nationalist backlash, the backlash being you Americans have all of these military assets there. The Filipinos are in trouble and you don't come to our support.

So that agreement has already this incompatibility and this potentiality for real trouble. There is also, you may have read, that both Enrile and Marcos stated that—publically that if necessary the Philippine Government would call upon American combat forces if it were established that the NPA was receiving support from outside.

It was left rather woolly in that statement. Marcos still remained noncommittal as to the precise circumstances that would trigger

this, but his Defense Minister said all that it would require would be if it were established that either funds or weapons were coming in from outside.

It would be triggered and there would be a request from the Philippine Government for American combat forces.

Mr. DELLUMS. As you speak, I am thinking we have walked down that road before. So one would then—would lead me to believe as I read between the lines, and I listened carefully to the comment that you just made, it seems to me you believe that we are indeed committed to a counterinsurgency program at some point along the way and may be subject to somebody's interpretation but it seems to me that is part of what you are saying. If it isn't, I appreciate that, but if it is, I would appreciate if you would elaborate upon that for me.

Dr. KAHIN. If we insist on maintaining those bases, it is going to lead inevitably in that direction because the NPA is clearly growing stronger and stronger every day. Philippine armed forces are really quite unable to contain it. They are losing ground to it.

They have used this auxiliary forces, as I mentioned, to fill in the void, the gap. Given that circumstance, and also given the temper of Philippine nationalist generally, I think it is clear that a few miles down the pike we are going to be in a situation whereby we can only hold onto those bases by the use of American military force to maintain our own inner perimeter. You cannot do that—we couldn't do that given the situation that is almost certain to obtain in the Philippines without expecting some casualties.

Mr. DELLUMS. So your testimony is quite compatible with the testimony of Senator Sasser and that is unless you develop openings, unless you develop contingencies and alternatives, you are placed in a situation where you are inevitably on a one-way street toward essentially a Vietnam in the Philippines.

Dr. KAHIN. It would have considerable similarities with Vietnam. There are differences, but as far as American casualties go, the prospect would go, there would be some.

Mr. DELLUMS. Let me turn your attention to strategic matters, again, going back to your conversation with President Marcos. From your perspective, does President Marcos believe we have strategic contingency plans emanating from the Philippines and if he does believe that, would he allow them to take place or did you talk about these matters?

Dr. KAHIN. We didn't talk about those. I tried to move in that direction, but I think it is clear, Congressman, that if we are going to develop alternatives, we don't necessarily have to do it with fanfare. I would agree with Congressman Ray that a signal that we were doing this would have a galvanizing effect as far as Marcos and his supporters are concerned, but I am not sure that is the course to take.

I think quietly, discretely, we can begin quite rapidly to build up. Actually, there was a tendency I thought this morning to underestimate the excess capacity that we have for instance on Guam. There is substantial excess capacity. Not only is there a whole major air field that is not being used there that could absorb the 13th Air Force, but our SAC facility there, that facility, our SAC

air base there has more cement than any base in the United States or anywhere else.

It is enormous and only partially used. The same is true with regard to naval repair facilities and naval basing there. There is a tendency for people who are critical of the idea of moving to Guam to simply refer to the inner harbor, Opera Harbor. But, in fact, during the Vietnam War and during World War II we used the outer harbor extensively and there is that area that we can still use today. We are building an ammunition pier in the outer harbor, but that is all we have done so far.

You may recall in 1983, when there were hearings of the Foreign Affairs Committee, Admiral Long stated that it would be $2 to $3 billion to get equivalent facilities elsewhere. He said it would be a billion more if we needed to have areas for training, training facilities, that that would cost a billion more because Crew Valley and Alderson are important.

We do have areas now, ⅔ of Tinian. It is a large island. The whole island of Farallon de Medinilla is available for this so that $1 billion does not have to be replicated in that sense.

Mr. DELLUMS. I would like to thank you very much.

Anymore questions that anyone has?

Mr. RAY. Just one.

Dr. Kahin, considering we did have a problem and we did leave and the base would then go to an adversary. Suppose that happens.

What position would that put us in in the Pacific? We right now are trying to protect ourselves with heavy fortification on the Diego Garcia. It would appear to me, though, we may diversify in Guam and other areas, wouldn't that give our adversaries just another very strong foothold in the Pacific?

Dr. KAHIN. I don't think it is realistic to assume the Filipinos would permit another foreign power to come in. If any foreign power is welcome, we are more than any other, but we have outworn our welcome. The Russians wouldn't have a welcome.

I think even the NPA, if it assumed control, would not find it realistic to offer that base, those bases to the Russians. There would be too much of a nationalistic backlash, wouldn't be able to consolidate their control if they took action like that.

Mr. RAY. That is a supposition. We do have a lot of turmoil right there and we have the nations in that area, Indonesia, Singapore, others who are beginning to become very uneasy and very upset about what is happening in that particular area.

It would, in fact, even make the Philippines vulnerable to aggregation for instance.

Dr. KAHIN. Well, I have talked to a number of leaders elsewhere in Southeast Asia. Their major concern is to have an American presence available in the area if necessary. Their concern, by the way, at least two of the countries and I won't, unless you want me to, indicate what they are more concerned with Chinese aggregation than Russian aggregation.

By the way, Singapore has a tendency to write that off. It has the strongest Air Force in Southeast Asia, sits right on Malacca Straights. It has offered us since 1979 basing facilities for a carrier. It has a dry dock that will take a carrier.

The Philippines can't. There is potential there if we are going to distribute our eggs in various baskets.

Mr. RAY. But it is a small city state with 2 million people there. It would be very limited as to what we could distribute there, but anyway, I just wanted to make that point and I thank you for your testimony.

Mr. DELLUMS. Thank you, gentlemen.

The Chair would like to note members of the committee that our distinguished witness submitted an article which appeared in the Op Ed page of the New York Times on November 6, 1985 entitled "Forget Philippine Bases", and without objection, the Chair would submit it become part of the permanent record and printed at the appropriate point in the record.

[The following information was received for the record:]

[From the New York Times, Nov. 6, 1985]

FORGET PHILIPPINE BASES

(By George McT. Kahin)

ITHACA, N.Y.—Americans concerned about the Philippines may have been reassured by President Ferdinand E. Marcos's announcement this week that he intends to hold early Presidential elections at the beginning of the year. By itself, however, this guarantees nothing, and it does nothing to mitigate the foolishness of Washington's recent decision to increase investment in the American military bases at Clark Field and Subic Bay.

That decision—to spend $1.3 billion to upgrade the bases and retain them until at least 1991—was announced last month, just days before Senator Paul Laxalt traveled to Manila to urge reforms on the Marcos Government. It thus inevitably undercut Senator Laxalt's efforts. It also surely discourages the non-Communist opposition planning to challenge Mr. Marcos at the polls.

Whatever Washington can do to encourage change in the Philippines—and that capacity is severely limited—it is certainly futile to attempt to do so with one hand while doggedly holding on to the bases with the other. Thus, Congressional tinkering with the relative size of the military and economic components of the rental we pay can have only a marginal political effect.

The value and durability of the American facilities are diminishing even as the Pentagon prepares to pour more money into them. For one thing, the bases and the nuclear weapons understood to be stored at them are now within the range of Siberian-based SS-20 missiles. Second, the overall center of gravity of American naval and air missions has shifted westward from the South China Sea toward the Indian Ocean and the Middle East. A Seventh Fleet carrier force has been moved to permanent station in the Indian Ocean, where major facilities capable of handling B-52's have just been completed on the island of Diego Garcia.

Third, the Pentagon's assertion that Philippine bases are vital because of Soviet access to Danang and Camranh Bay, in Vietnam, rings hollow, for Mr. Marcos has pledged Hanoi that he will not permit the United States to use Clark or Subic to mount an attack on Indochina.

The value of our bases is also being seriously undercut by the continuing erosion of the political ground on which they stand. Both Mr. Marcos and his opponents—Communist and non-Communist—exploit unpredictable currents of Philippine nationalism. Of most immediate danger is the Communist-led New People's Army, which, Defense Minister Juan Ponce Enrile told me, now musters some 18,000 armed men, half of them with modern American weapons.

American commanders emphasized to me that their major worry is security on the perimeter of the bases. The New People's Army lacks the power to overrun the facilities, but it has the capacity to harass them extensively and to render them largely inoperative. Only two months ago, a guerrilla unit walked right through the Philippine military's outer perimeter at Subic Bay and camped close to the border of our facility, within mortar range of our ammunition magazine. Only 600 Filipino troops are available to patrol Subic's outer perimeter, which is more than 20 miles long, and Clark's 26-mile outer border is similarly vulnerable.

In such a situation, guerrilla leaders could easily be tempted to exploit nationalist feelings through a confrontation with American troops. Nor is it implausible that an American base commander might react impulsively to a perceived guerrilla threat: The bases agreement grants these commanders the unqualified right to carry out security measures outside the bases, with no stipulation about the circumstances or how far American forces can be sent. And given the record, what should one expect President Reagan's reaction would be to shots fired at American servicemen? There is, therefore, a very real possibility that the United States could be drawn into a quagmire in the Philippines.

Clark and Subic clearly rest on uncertain political sand, and little time is left for the Pentagon to implement contingency plans for moving and decentralizing the military assets now dangerously concentrated there.

Ample alternatives exist—among them Guam, Tinian, Saipan, Palau. And for the time being, at least much greater use could be made of bases now open to us in Australia and Singapore. The Pentagon should begin this shift now, using the funds it has so imprudently allocated for further investment in Clark and Subic.

Mr. DELLUMS. Doctor, we would like to thank you very much for your contribution to these proceedings. We deeply appreciate it.

Our next witness is Dr. Daniel B. Schirmer, former professor of history, Boston University. We would like to thank you very much for appearing before the subcommittee. We have received your written testimony, and without objection, it will appear at the appropriate point in the record.

The Chair yields to the gentleman. You may proceed in any fashion you wish, sir.

STATEMENT OF DR. DANIEL B. SCHIRMER, FORMER PROFESSOR OF HISTORY, BOSTON UNIVERSITY

Mr. SCHIRMER. Thank you, Representative Dellums.

I wish to extend my appreciation and gratitude to you for giving me the opportunity to speak on this issue that I feel so strongly about. I believe I speak for a growing number of people in the United States who have serious questions—I think some of the testimony this afternoon reflected that—about utility of United States bases in the Philippines. As a matter of fact, perhaps I go farther than some that have spoken this afternoon.

I would recommend very strongly that no more moneys be spent on Clark or Subic and more than that, that the Congress should urge the executive to initiate steps immediately for the withdrawal of U.S. bases from the Philippines so that by the year 1991 when the present agreement expires, all U.S. personnel and all U.S. portable equipment will have been withdrawn to the United States.

Now, I have one main reason for that recommendation which I will give you. That is the maintenance of U.S. bases in the Philippines is in violation of a basic principle of a democratic foreign policy, a foreign policy which I believe our country should follow in this sense.

The base—no country that has foreign soldiers and foreign military installations occupying it can in any sense be called free and independent. Now, before going on to my explanation of how this applies to the Philippines, I want to deal with what I think is one misconception that must be—I would like to attempt to lay to rest. That is that it is in the Philippines only the Communists or the New People's Army that raises questions about the bases in the Philippines or poses a question as to the viability of the bases. I do not believe this represents the fact of the matter.

I would like to refer the committee to the New York Times magazine section of November 3 where Steve Lohr talked about this matter and he talked of an interview with Jaime Ongpin who is a corporate executive, a moderate leader of political opinion, and Mr. Ongpin called for the withdrawal of U.S. bases. He said he didn't think they served Philippine interests.

Now, Steven Lohr further said that Ongpin represented a growing—I emphasize the word "growing"—a growing segment of moderate political opinion in the Philippines. I think illustrating this fact is the letter or statement that was made December 26, 1984 when the discussions of the presidential elections that were scheduled for 1987 at that point were underway. There were some 14 people who are mentioned out of the acknowledged political leadership of the Philippines as potential candidates, some 14 of these.

Twelve of these signed a statement saying that they thought U.S. bases should withdraw from the Philippines. These included, I must say, Cory Aquino, who is now a candidate, I believe, and Jovita Salonga, who has talked about entering the race perhaps. The only exceptions to that statement were Salvador Laurel and Eva Kalaw. Now, they said in their statement that bases limit Philippine sovereignty, that they wish to see the Asian region become a nuclear-free region of peace and finally that the bases should be removed by 1991, and they should not return.

Now, I want to go into a brief explanation of the ways in which I think these bases limit Philippine sovereignty. In the first place, they limit Philippine sovereignty because these bases use Philippine territory for the projection of U.S. military power in pursuance of U.S. commercial and cold war objectives.

Now, the subordination of the territory of any country to the foreign policy of an alien power seems to be clearly an infringement on sovereignty. This is expressed today in the fact that the bases are being prepared for possible intervention in the Mideast. I think one of the outstanding concerns of U.S. policymakers is to preserve the status quo in the Mideast so that U.S. corporate interests in that oil will be stable and, as we know, there is a carrier battle force in the Indian Ocean at present and the main source of supply for that carrier battle force are the bases in the Philippines. Furthermore, the rapid deployment force, if it were to make an intervention in the Mideast for some military purpose, would use the Philippine bases as a jumping off point. So this is one way in which these bases are subordinated to our present foreign policy. The other way is in relation to the cold war situation on the Korean Peninsula where the forces of the United States in South Korea are lined up on the DMZ or dividing line against the forces of North Korea in this stalemated cold war situation.

I think the officials on the bases have said in the past, and it still holds true, that the United States forces in Korea rely very heavily in their supply upon the Philippine bases. So that is the first charge I would make against the bases. The second way in which they limit Philippine sovereignty is perhaps even more dramatic and that is the fact that the U.S. military uses these bases for the preparation of nuclear war.

Admiral La Rocque has testified before a congressional hearing that the United States uses these bases for the storage of nuclear

weapons. There are numerous communications, control and command and intelligence facilities which are very vital to the pursuance of nuclear war fighting which are located on these bases.

I will mention only one and that is the communications center at Clark where B-52 bombers might be loaded with nuclear weapons on the way to the Soviet Union would receive their directions from this Clark facility.

Well, the result of this is that the bases presently—these U.S. bases are presently targeted by Soviet nuclear missiles in the Far East. We have the Brookings Institution for authority of this and the situation is such that if there were to be a nuclear exchange between the two nuclear superpowers these bases would be among the first targets of the Soviet attack.

Now, Philippines are interested in this question. A Philippine engineer named Jorge Emmanuel has calculated that 4 to 5 million Filipinos would die as a result of nuclear bombs on the U.S. bases. Now, I think it is indisputable that a country that is brought into the line of fire of the two nuclear antagonists by the presence of nuclear installations of one of these antagonists and that this would result in a catastrophy, a great injury to the Filipinos without any volition of their own, I think it is quite clear that this is a very serious infringement of their sovereignty.

Now, the final infringement that I wish to mention is the fact that these bases have been—the point around which much of the discussion has revolved—are at present a cause for U.S. intervention in Philippine affairs. This is one of the most serious and presently the most dangerous and pressing of all these infringements. I will go into that in a minute.

I will give you the most noteworthy example of the intervention in Philippine affairs as a result of the bases up until very recently has been the U.S. military economic aid to the Marcos dictatorship.

Let's just go into that for a minute. In the last sixties and early seventies, there was a wave of nationalist feeling in the Philippines. Students were demonstrating in the streets against the use of the bases with relation to the Vietnam War. Intellectuals were unhappy with the situation.

Working people were organizing, farming people were organizing. It was a populist and nationalist upsurge in the Philippines. Politicians in the Philippine congress were discussing curbs on U.S. corporations, for example, of a nationalist sort.

Now, in response to this situation, Mr. Marcos entered with martial law, which beheaded this populace and nationalist uprising throwing its leaders into jail. We will know the figures—70,000 people have been put into jail by Marcos during his tenure as dictator.

The point is that immediately after Marcos declared martial law, the U.S. Government doubled its military and economic aid to the Philippines.

This can be explained in no other way except that the United States was giving support to the Marcos dictatorship, increased support to the Marcos dictatorship.

And now, to make the final point, Joseph Lelyveld, writing from Manila in June 1974 in the pages of the New York Times, said that he had talked with U.S. officials in Manila, and they said that the

prime reason for U.S. support of the Marcos dictatorship was the U.S. bases, that U.S. investments, protection of U.S. investments in the Philippines, took a secondary place, that bases was the primary reason for the support.

Now, let's turn to the question of intervention today which is so pressing and, I believe, so dangerous. Today the Marcos dictatorship is in a great economic, political, and military crisis, a crisis catalyzed by the murder of Benigno Aquino.

A wave of nationalism has come forward which other experts have referred to, which throws the bases into serious question.

Again, working people and farm people are organizing and striking. An element of the Catholic Church is lining up with the people in opposition to the Marcos regime, and the elite, the ruling elite of the Philippines, is alienated from the Marcos dictatorship. There is a growing insurgency led by the Communists.

The point I want to make, though, is that when we think of what is happening in the Philippines, let us not just concentrate on the NBA.

This is one aspect of a national movement of resurgence which is taking place in that country, and if we were just to isolate out this particular factor, we would be making a serious mistake in underestimating what is going on in that country.

Now, the reasons for this crisis I will just give with two statistics. The average grain consumption per person in the Philippines during 9 years after the Marcos dictatorship declined from 358 pounds per person to 305. This is brought forward by the Philippine Department of Agriculture, a study that they made.

The consumption of protein, which was low at the beginning, has even further declined for the average Filipino. Sixty-nine percent of Philippine children, 69 percent—think if that were the case in the United States, how outraged we would be—69 percent of Philippine children are underweight, because they do not get enough to eat.

I would like to submit that this is the basic root of this national resurgence that we have in the Philippines today and not anything else, and it will not be laid to rest. There will not be stability returned until that fundamental question of economic justice is handled.

I say economic justice, because on the other side of the picture, Mr. and Mrs. Marcos, during the rule, have become the wealthiest couple in Asia while people have become more and more poverty stricken.

So, I think it is quite clear why there are reasons for that dissatisfaction on the part of the majority of Filipinos today.

Mr. Marcos has been referred to for years as the guarantor of U.S. bases in the Philippines. He has agreed to their use for military intervention in the Mideast.

He has agreed to the positioning of nuclear weapons on those bases without prior consultation with the Philippine government. He has agreed that the bases should remain after 1991, and he has even, in sort of a way, invited U.S. intervention at some possible eventuality in the future, military intervention to help defeat the armed insurrection there.

Now, Mr. Reagan sees the crisis of the Marcos regime as the crisis of the bases, and that is the root of the fact that U.S. escalation under the Reagan administration today has escalated on both military and political levels.

The amount of aid that Mr. Reagan has promised Mr. Marcos doubled in 1983 over what Mr. Carter promised to Mr. Marcos, and this came in the aftermath of the Aquino assassination.

There has been, this year, an increase—you remember those days in Vietnam—an increase in the number of training and advisory personnel assigned to the Philippine army by the U.S. military.

The U.S. Army personnel are intervening very heavily in the militarization to obtain what they call "military reforms", but it is, nonetheless, U.S. intervention.

The intervention has moved over to the political field recently, and I refer, of course, to the mission of Mr. Laxalt to the Philippines to indicate the President's dissatisfaction with the situation there, and as a result of the tremendous campaign of pressure and publicity which attended this, Mr. Marcos felt it wise to concede and call "a snap" elections that are coming up.

I would point to another evidence of increasing political intervention in the statement made by Senator Durenberger, the head of the Intelligence Committee, who, as was reported in the New York Times, said that the CIA was not going to be caught napping in the Philippines as it was in Nicaragua, that it was going to become increasingly active to secure an alternative, presumably an alternative that would be suitable in the eyes of the CIA, and that Mr. Reagan himself had given the blessing to this outlook.

These are some of the evidences of increasing political intervention in the affairs of the Philippine people.

On the elections, if you read the Christian Science Monitor yesterday, Paul Quinjudge, a very reliable correspondent there, said that observers on all hands in Manila said that if Mr. Marcos felt he was going to lose the elections, he would use all means, including fraud, to prevent that from happening.

So, it seems to be doubtful that there will be a free and honest election in the Philippines.

Well, what will be some of the meaningful results of these elections? I think it is possible that the holding of these elections will make it easier to get aid through Congress, which is what the U.S. administration wants, I believe—aid to Marcos, aid to the Philippine regime, aid to the Philippine army.

Second—and this, I think, more worrisome really—I think that all this—and don't forget we are going to have, perhaps, some congressional teams monitoring the Philippine vote, and I am sure this is going to be on the television. I am sure it is going to be on the front pages of the paper. It is going to be a big photo opportunity around U.S. intervention in Philippine politics.

What worries me about this is that it may serve to accommodate the public mind in this country to the idea that the United States somehow has a responsibility or even a moral right to intervene in the affairs of the Philippine people.

After all, we are for free elections, right? I think this is the great danger, because I think that if you put yourself in that kind of a

mental frame, then increasing escalation becomes reasonable, even morally justified, and so if there are a few troops there, well, maybe we have to do that, what we are trying to do that is right in the Philippines.

This is the kind of danger I see in the uproar that is going to take place around the Philippine elections.

I think that not just people in the United States are worried about this. I think that people in the Philippines are worried about the increasing involvement of the United States in the affairs there, with the possibility that they will slide in the direction of all out military intervention.

Professor Roland Simbuland of the University of the Philippines this past spring brought to the public attention the fact that Special Operations Forces were in the Philippines and said that these special operations forces were designed especially for counter insurgency, and that they were a cause for alarm.

The opposition press took this up, and it even reached a point to the extent that the U.S. Embassy said that these Special Operations Forces there were just there for training purposes, and there was nothing to be alarmed about.

Nevertheless, after Professor Simbuland's warning came, a print from a Florida paper said that two MC-130's—these are special operations planes used for reconnaissance and for taking supplies and men behind lines in insurgency situations—that two planes in the last year and a half had been shot at and damaged while on what is called routine training missions over northern Luzon.

Now, the area of northern Luzon on which these planes were fired is an area in which there is heavy New People's Army activity. Again, the Malaya, an opposition paper, only a few months ago carried a report that U.S. military personnel had been spotted on the field pursuing, investigating, looking into, the NPA situation in Camariens Norte with Philippine marines.

These instances or apparent instances of deeper involvement are what are so worrisome in the sense that it shows how indirect military intervention such as we have now might turn into direct military intervention.

I think that not only the people of the United States, not only the people of the Philippines, but, I believe, internationally, there is going to be some concern on this question.

I just returned from Europe where there was a conference of European parliamentarians devoted to this exact topic—what was happening in the Philippines; was there a danger of U.S. intervention there getting out of hand and another Vietnam resulting—and I am happy. From my standpoint, I am happy to say that a resolution was brought forward from this conference which has been introduced in several European parliaments, indicating alarm and distress at the fact that this growth in intervention appears to be taking place.

I refer you to the Far Eastern Economic Review of November 21. It appears that some of the neighbors of the Philippines, the neighboring nations, neighboring states, also are becoming alarmed.

A man named Jusuf Wanandi, who is director of a think tank that, according to the Far Eastern Economic Review, is closely related to the Far Eastern government, wrote a piece for the Far

Eastern Economic Review, and he said the Filipinos must be allowed to handle their own political processess.

I think this was directed at the United States. He said:

> Moreover, I think that the diplomacy of the Asian nations should flex its muscles, should use its muscles, should use its clout, to insure that there will be no intervention by major powers in the domestic affairs of the Philippines.

This comes from Indonesia, and I think maybe is reflective. I can't say, but it may well be reflective of some of the thinking in that country.

In this country, I will point to only two features which lead me to believe that this may be developing, but I think this hearing this afternoon is a good example of that there may be developing reservations in all circles of U.S. society, conservative, liberal, whatever, as to whether—they have reservations about maintaining these bases, seeing their relation to U.S. intervention.

I think this is a reservation that is growing, and I would point to two editorials from leading papers, one from the New York Times, and one from the Boston Globe, which said that the Pentagon should develop studies to find feasible alternative locations for the bases in the Philippines.

The Globe editorial was even more specific. It said U.S. bases in the Philippines are not worth a war of intervention, very directly and very plainly, and I am sure if the people of the United States begin to think about this thing, and they are going to have to, this will be their rock bottom conclusion, as well.

I would recommend that no moneys be spent, that the bases be withdrawn. I say that that is the best way that the U.S. people can help the Philippine people develop their self determination.

I think we would be responsible. The United States Government has had that country as a colony for many years, and then they have had undue influence, I believe, for many years in return.

So, I think we have responsibility at this point to say:

> Look, we want you to do what you want to do, and you should be the judges of that, whatever it is, and we will make this clear to you by giving no more money to the bases and initiating procedures for their withadrawal.

In the American interest, I believe that will be the best way to avoid the possibility of another Vietnam.

Thank you very much.

Mr. DELLUMS. Doctor, thank you very much for a very clear and very thoughtful presentation before the subcommittee this afternoon.

[The statement of Daniel B. Schirmer follows:]

PREPARED STATEMENT OF DR. DANIEL B. SCHIRMER

INTRODUCTION

I speak for those U.S. voters who would strongly urge Congress not to spend hundreds of millions of dollars expanding and upgrading facilities at Subic Base and Clark Air Field in the Philippines. Those for whom I speak would urge instead that Congress press the Executive to take steps immediately to bring about the withdrawal of U.S. military facilities and personnel from the Philippines, so that by 1991, the expiration date for U.S. bases in the Philippines under present agreements, all U.S. military personnel and equipment now in the Philippines will have been brought home to the United States.

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The main reason I would give for the withdrawal of U.S. forces from the Philippines is that their maintenance abrogates a fundamental principle of a democratic foreign policy, that is, respect for self-determination of all nations great and small. No people or nation can be considered to be fully free and independent so long as it is occupied by the armed forces of another power.

If the citizens of any particular nation should understand this principle it should certainly be those of the United States. It is embedded in the better part of our national tradition. For our nation was born in a struggle to assert the right to self-determination when in the 18th century we fought to rid our country of the occupying troops and military bases of the British Empire. As a matter of fact U.S. bases in the Philippines are a remnant of those days at the turn of the century when the U.S. government under the Republican William McKinley adopted an imperial, a colonial policy of its own, in the process waging a war of conquest against armed Philippine nationalists and turning their country into the largest and most important colony of the United States. From this standpoint the withdrawal of the U.S. bases from the Philippines could be seen as a final step in the liquidation of colonialist policy the U.S. government has practiced towards the Philippines in one form or another since the McKinley Administration.

It is important for the people of the United States to understand that U.S. bases in the Philippines undermine Philippine sovereignty in at least three important ways: by using Philippine territory to project U.S. military power against other peoples in Asia and the Mideast; by using Philippine territory to prepare for nuclear war; and by serving as a focus for U.S. intervention in Philippine affairs.

It is also important for U.S. voters to realize that, in all important points, their interests complement the interests of the Philippine people in requiring withdrawal of U.S. bases from the Philippines.

MISCONCEPTIONS

Before developing these arguments, however, it is necessary to attempt to clear up three misconceptions about U.S. bases in the Philippines.

The first of these is the idea that it is the opposition of the Philippine Communists alone that creates a problem for the maintenance of U.S. bases in the Philippines. As an instance of this I cite the report of the minority staff of the Senate Subcommittee on Military Construction. This report recommends no new major investments in U.S. military facilities in the Philippines until stability has been restored in that country, pointing especially to the growth of the Communist led insurgency of the NPA as the reason for caution and restraint in such expenditures. The recommendation of the minority report clearly rests on the assumption that it is the Communist guerrilla movement that calls into question U.S. bases in the Philippines.

For U.S. voters to believe that it is the Philippine Communists alone who oppose U.S. bases is certainly to the advantage of those in the U.S. military who want to cling to the U.S. bases at all costs since it allows for a public underestimation of the depth and breadth of the surge of nationalist feeling that has gripped the Philippines especially since the murder of Benigno Aquino. There is evidence at hand, however, that Philippine opposition to the U.S. bases comes increasingly from the broad and representative body of public opinion in that country, including those on the left. In the November 3, 1985 "New York Times" magazine Steve Lohr reports on an interview with Harvard-trained Jaime Ongpin, who, Lohr writes, "favors the departure of the Americans as a pragmatic nationalist: he does not think the bases serve the Philippines." Lohr cites Ongpin as one of "a growing number of moderates" who don't want U.S. bases in the Philippines.

Such is indeed the case. On December 26, 1984, when discussion about the presidential elections then scheduled for 1987 was under way, Jaime Ongpin joined all the most prominent of the potential presidential candidates in the Philippines except for Salvador Laurel and Eva Kalaw in signing a public statement calling for the withdrawal of U.S. bases from the Philippines. The signatories declared that U.S. bases in the Philippines constituted a diminution of Philippine sovereignty and exposed that country to attacks from a third party; they declared that U.S. bases must leave the Philippines by 1991, never to return; they called for turning the Asean region into a nuclear-free zone of neutrality and peace. The list of signers included: Agapito (Butz) Aquino, Cory Aquino, Jose Diokno, Teogisto Guingona, Raul Manglapus, Ramon Mitra, Jaime Ongpin, Ambrosio Padilla, Aquilino Pimentel, Jovita Salonga, Rafael Salas, Lorenzo Tanada.

Since many of the signers represented the experienced political leadership of the pre-martial law era, it can be reasonably assumed that they knew something about

the state of public opinion in the Philippines when they spoke out so unequivocally against the U.S. bases.

The second misconception I wish to discuss is the belief that U.S. bases in the Philippines must stay there because of Soviet access to Cam Ranh Bay in Vietnam. This is a curious piece of reasoning. U.S. bases in the Philippines antedate Soviet basing rights in Vietnam by many years, but somehow Soviet basing rights in Vietnam have become the irreducible cause for U.S. bases in the Philippines. It is more realistic to assume that Soviet basing rights in Vietnam are a response—dictated by Cold War rivalry—to the U.S. presence in the Philippines. In any case a reasonable solution to this problem is indicated by the Anti-Bases Coalition of the Philippines who call for the elimination of both U.S. bases in the Philippines and Soviet bases in Vietnam, indeed of all foreign bases from the western Pacific.[1] Moscow has indicated its verbal support for the demilitarization of the region. It would be wiser for the U.S. government to explore such proposals for neutralization, rather than spend millions on upgrading Philippine bases.

The third misconception I would like to challenge is the belief that these bases have as their purpose the protection of the Philippines and the defense of the United States. To dispel this false notion it is only necessary to consult the opinions of U.S. military and civilian officials responsible for establishing the bases in their present form in 1947. In a top-secret memorandum of 1945 the U.S. Joint Chiefs of Staff defined the purpose of the bases in the following terms: "The United States bases in the Philippines should be considered not merely as outposts, but as spring boards from which the United States Armed Forces may be projected." Paul McNutt who was U.S. high commissioner to the Philippines in 1946 when the U.S. bases were established in their present form made the content of this memorandum public when he declared that Philippine bases "are not designed merely for the protection of the Philippines, nor even the defense of the United States. These bases are expected to be secondary supporting installations for supply, repair and staging activities for all our armed forces in the Far East.[2]

INTERVENTION IN ASIA

Defining the purpose of U.S.' bases in the Philippines brings us to a consideration of the first way in which they undermine Philippine sovereignty: by their character as springboards for U.S. military intervention.

The geographical location of the Philippines as an island archipelago off the coast of mainland Asia and near the juncture of the Pacific and Indian Oceans gives U.S. bases in the Philippines an optimum location for the projection of U.S. military power in this part of the world.

Accordingly one of the main reasons for the U.S. conquest and colonization of the Philippines at the turn of the century was to secure the Philippines as a military strong-point from which to penetrate the China market for U.S. manufactured goods. In 1900 U.S. troops were dispatched from the Philippines to China to suppress a nationalist uprising called the Boxer Rebellion which opposed the opening of China to foreign economic interests.[3] Another Philippine based intervention took place in 1918 when U.S. troops were sent from the Philippines to Siberia during the Bolshevik revolution, foreshadowing the Cold War uses to which the bases were later put.[4]

When the U.S. government declared the Philippines to be independent in 1946 it limited this independence by insisting on the maintenance of U.S. military and naval bases in that country.[5] After Philippine independence and during the years of the Cold War, the U.S. bases served as prime logistic supports, prime springboards, for U.S. military intervention on the Korean peninsula in the '50s and for the Vietnam War in the '60s and '70s.

Today U.S. corporate control over the oil of the Mideast represents a major concern for U.S. policy makers; such control rests on the maintenance of the status quo in the Mideast, that is to say, on the preservation of a number of feudal and monarchial Arab regimes (chief of which is the royal family of Saudi Arabia) from the threat of nationalist uprisings. To protect the Mideast status quo a separate U.S.

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[1] "Declaration", 1983 International Conference on General Disarmament, World Peace and Removal of Foreign Bases (sponsored by the Anti-Bases Coalition of Philippines).

[2] Stephen Roskamm Shalom, *The United States and the Philippines*, ISHI, Philadelphia, 1981, pp.60–61.

[3] Daniel B. Schirmer, *Republic or Empire*, Schenkman, Cambridge, 1972 pp.67, 196–197.

[4] General Wm. S. Graves, *America's Siberian Adventure*, J. Cape & H. Smith, New York, 1941, p.34.

[5] Shalom, *op.cit.*, pp. 59¢64.

military command with a Rapid Deployment Force of half a million men has been established, and a carrier battle group has been permanently stationed in the Indian Ocean. The U.S. bases in the Philippines are the main supply point for the carrier group in the Indian Ocean and would be a jumping off point for the Rapid Deployment Force in case of a war of intervention in the Mideast.[6]

The Philippines bases today also serve as an important point of supply for the U.S. military on Cold War alert on the Korean peninsula.[7] Here the forces of the United States and those of South Korea confront those of North Korea in what could be the flash-point of a second U.S. war of intervention in North East Asia.

It is not in the interest of the Philippine people to have their national territory used as a staging point for military intervention against other nations by an alien power to further that power's commercial objectives and Cold War rivalries. Nor does it serve the interests of the people of the United States to maintain bases in the Philippines to promote possible wars of intervention in the Mideast or North East Asia.

NUCLEAR WAR

The December '84 statement of prominent Philippine political leaders declared that U.S. bases in the Philippines made their country a target for third party attack. This is particularly the case because the U.S. military uses the Philippines as centers for the preparation of nuclear war. This is the second way U.S. bases undermine Philippine sovereignty.

Admiral Gene La Rocque, U.S. Navy (ret.), of the Washington based Center for Defense Information has told Congress that U.S. bases are a storage point for nuclear weapons.[8] Subic serves as a port for U.S. nuclear-capable ships and submarines, Clark for U.S. nuclear-capable planes. Important command, control, communications, and intelligence instruments and facilities needed for nuclear war-fighting are stationed at Clark and Subic. New Zealand nuclear weapons expert, Owen Wilkes, maintains that it is especially forward nuclear bases like those of the U.S. in the Philippines that help make possible a U.S. first strike against the Soviet Union.[9]

These nuclear weapons and facilities make U.S. bases in the Philippines a prime target for nuclear retaliation by the Soviet Union should there be an all-out nuclear war between the two super-powers. In fact the Brookings Institution reports that the Soviet Union presently maintains SS20 nuclear missiles in the Soviet Far East that are targeted on U.S. bases in the Philippines among other U.S. installations in the Pacific.[10] A Philippine engineer, Jorge Emmanuel, has estimated that nuclear retaliation visited upon U.S. bases in the Philippines would cause at the very minimum 4 to 5 million casualties.[11]

For the Filipino people to be involved in a nuclear holocaust through no choice of their own is certainly a severe limitation upon Philippine sovereignty. Nor do Pentagon preparations in the Philippines for nuclear war recommend themselves to the people of the United States, for whom such a war would be a final catastrophe.

INTERVENTION IN THE PHILIPPINES

Of particular significance today is the third way in which U.S. bases in the Philippines limit Philippine sovereignty: by providing focus and magnet for U.S. intervention in Philippine affairs. For, as the crisis of Marcos dictatorship deepens and questions arise about the future of the U.S. bases, the Reagan Administration escalates its intervention, both military and political, in Philippine affairs, bringing in view the danger of U.S. combat troops in the Philippines, the ultimate in intervention.

The U.S. has already intervened in two wars in the Philippines. There was the direct intervention at the time of the conquest to establish the Philippines as a U.S. military strongpoint in Asia and that has been dealt with. It remains to explain that there was indirect U.S. military intervention in a Philippine war at the time of Philippine independence. During World War II there was a Philippine guerrilla

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[6] *New York Times*, April 3, 1982.

[7] *New York Times*, August 4, 1977.

[8] Statement of Rear Admiral Gene R. La Rocque, U.S. Navy (ret.) Director, Center for Defense Information, Washington, D.C., to the Subcommittee on Asian and Pacific Affairs, June 23, 1983.

[9] Walden Bello, Peter Hayes, Lyuba Zarsky, *Pacifc Command*, Nautilus Research, Amherst, 1983, p.112.

[10] *Soviet Strategic Forces: Requirements and Responses*, Brookings Institution, Washington, D.C., 1982, p.21.

[11] Jorge Emmanuel, *The Immediate and Long Term Consequences of Nuclear War in the Philippines*, Friends of the Filipino People, Durham, 1983, p.3.

movement called the Hukbalahap or Huks that fought the Japanese occupation. After Philippine independence the leaders of the movement, Socialist and Communist, opposed the military and economic concessions the new Philippine government had granted to the U.S. (in addition to U.S. military bases the government had agreed to special privileges for U.S. investors in the Philippines). In 1949 the Huks rose in armed rebellion, only to be suppressed by the army of the new Philippine government in the mid-'50s. A key role in this suppression was played by the U.S. military, however, which armed, aided, advised and directed the Philippine armed forces in their suppression of the Huks, that is to say the U.S. government intervened in this war by indirect means. The CIA, in the person of Colonel Edward G. Lansdale, played a prominent role in this effort.

The Philippine nationalist historian, Renato Constantino, has detailed the way in which the U.S. government has intervened almost continuously in Philippine political affairs since the time of conquest and colonization.[12] The undemocratic character of this intervention was made clear when it culminated in U.S. support for the Philippine dictatorship Ferdinand Marcos established in 1972.

In the late '60s and early '70s a wave of unrest and nationalism swept the Philippines—workers and farmers organized and struck the plants and businesses of local and foreign investors; students demonstrated in the streets against the bases (then supplying the Vietnam War); politicians discussed putting curbs on the operations of foreign corporations. To behead and suppress this nationalist populist upsurge Ferdinand Marcos established a martial law dictatorship, to which the U.S. government, without delay, gave full support with increased amounts of military and economic aid. In the *New York Times* of June 26, 1974, Joseph Lelyveld reported from Manila that U.S. officials there cited the bases as the chief reason for U.S. support of martial law, far outweighing the U.S. investment in this regard.

The record is clear: it has been the establishment, maintenance and protection of the U.S. military presence in the Philippines, military and naval bases, that has been a decisive cause of U.S. political and military intervention in Philippine affairs at crucial turning points of that nation's modern history.

Today, over ten years since the declaration of martial law, the Marcos dictatorship is in the deepest crisis ever—economic, political, and military. I will cite only two sets of figures in explanation. Surveys by the Philippine Ministry of Agriculture show that the average grain consumption per person decreased from 358 to 305 pounds during the first nine years of martial law. Consumption of protein-rich foods, already low, decreased even more. Other government surveys found that 69 per cent of all Filipino children are underweight because they do not get enough to eat. These figures give some indication that the root cause of this crisis is the growing poverty and misery of the Philippine people under the dictatorship of Ferdinand Marcos.

It was the assassination of Benigno Aquino that catalyzed all the elements of this crisis that had been gathering strength during the years of martial law. After the assassination workers and farmers in town and country have become more highly organized and militant in defense of their interests than ever; a wave of nationalism has come forward at all levels of Philippine society and casts a shadow over the future of the U.S. military presence; a section of the Catholic Church has taken the side of the people in a new way; the elite, save for a handful of Marcos' cronies, has become alienated from the Marcos regime; and a movement of armed resistance to the Marcos dictatorship grows apace in the countryside.[13]

For over a decade the Marcos dictatorship has guaranteed the U.S. military unhampered operations on the Philippine bases. Mr. Marcos has agreed to their use as jumping off points for intervention in the Mideast. He has agreed to U.S. installation of nuclear weapons on the bases without prior notification of the Philippine government. He has agreed that the bases remain after 1991. He has agreed to possible intervention by the U.S. combat troops to help fight the NPA (seen by Washington as the chief threat to the bases).[14]

The Reagan Administration, therefore, sees the crisis of the Marcos regime as a crisis for the bases. In consequence the Reagan Administration has sharply and simultaneously escalated the level of its intervention in the Philippines, both political and military.

In 1983, as the aftermath of the Aquino murder shook the Manila government the Reagan administration almost doubled the amount of military and economic aid to

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[12] *Vide* Renato Constantino, *A Past Revisted* and *The Continuing Past*, Manila, 1975 and 1978.

[13] *The Philippines a Harvest of Anger*, Oxfam America Facts for Action, #15, p.4.

[14] *New York Times*, February 19, 1980; *Malaya*, Manila, April 2, 1985; *Boston Globe*, November 28, 1985; *New York Times*, June 2, 1985.

Marcos, as compared to that given by Carter ($900 million over five years as compared to $500 for the same period).

In October 1984 Assistant Secretary of Defense Armitage outlined before Congress a series of reforms of the Philippine army the Pentagon thought necessary to enable that body more successfully to check NPA growth (elimination of corrupt and overage generals, improvement of troop training and morale, etc.)[15] The Joint U.S. Military Advisory Group or JUSMAG (a permanent body of U.S. advisors to the Philippine military set up in 1947 at the time of the Bases Agreement) and U.S. Embassy personnel have pressed these reforms on the Philippine army, evidently with only partial success.

In 1985 the Reagan Administration promoted "a sharp increase in the military training teams that rotate in and out of the Philippines to train Filipino soldiers in equipment maintenance, logistics, and administration."[16]

Most recently in the late fall of 1985 the Reagan administration has escalated its intervention in Philippine political affairs to match the escalation of its intervention in Philippine military affairs.

With great hue and cry in the press and television Mr. Reagan in October sent his close friend Senator Laxalt to Manila with a letter to President Marcos expressing Mr. Reagan's concern about developments in the Philippines.

As a national security directive signed by President Reagan in January had indicated, the Laxalt visit and Reagan letter to Marcos was the sign that the Reagan administration was now shifting from its former position of unqualified support for Marcos towards the liberal interventionists in Congress who have long been calling for reforms from the Manila dictator and threatening to diminish aid unless such reforms are forthcoming.[17]

As a result of this new political pressure from the Reagan Administration Mr. Marcos declared for an early presidential election, now scheduled for February.

At the same time the leader of the Senate Intelligence Committee, Dave Durenberger, Republican from Minnesota, told the press that the Reagan Administration was not going to repeat the mistake of the Carter Administration in not instructing the CIA to find an alternative to Somoza when the Nicaraguan dictator fell from power, thus leaving the field open to the Sandinistas.[18] Mr. Durenberger in effect publicly indicated that the Reagan Administration was encouraging a stepped up and more active role for the CIA in Philippine politics.

Some members of Congress are not hesitating to lend themselves to what promises to be an attempt by the Reagan administration to turn the coming Philippine elections into a public relations display, a photo-opportunity, for U.S. intervention in the Philippines. They are apparently planning to go to the Philippines in Congressional teams to monitor the Philippine vote.

The effect of this blatant intervention in Philippine politics by the Reagan Administration could be to prepare the U.S. public to accept an even deeper military involvement in that country.

The prospect of deeper U.S. military involvement is a matter of some concern in the Philippines. University of the Philippines Professor Roland Simbulan, author of a study of the U.S. military installations in his country, this past spring drew public attention to the presence in the Philippines of Navy and Air Force Special Operations Forces and Special Operations Forces Training Teams. Noting that Special Operations Forces were specialists in counter insurgency warfare, Professor Simbulan declared their presence in the Philippines to be a cause for alarm.[19]

Shortly after Simbulan's warning a Florida newspaper carried a partially declassified Defense Department report indicating that within the past year and a half two MC-130s, Special Operations Forces planes for transport and reconnaissance, had been shot at and damaged while on what the Defense Department described as "routine low altitude training missions." In October 1984, a CH-53 Marine Special Operations Forces helicopter crashed into a Luzon jungle north of Clark Air Base during a night-time mission. All six crew members were killed. In much of Northern Luzon, over which both the MC-130s and the helicopter were flying, New Peoples Army units are operating against the Philippine army. On the 26th of July 1985 the opposition newspaper *Malaya* reported that "American soldiers have been recently conducting military operations with government soldiers in rebel-infested

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[15] *Philippine Report*, Berkeley, November 1984, p.8.

[16] *New York Times*, October 27, 1985.

[17] *Far Eastern Economic Review*, October 31, 1985.

[18] *New York Times*, October 31, 1985.

[19] *We Forum*, Manila, June 12, 1985; interview with Professor Roland Simbulan, *Philippine News & Features*, June 17, 1985.

Camarines Norte."[20] These apparent instances of deeper military involvement may indicate the way in which escalating indirect military intervention could turn into direct combat.

It is not only Filipinos who worry about the prospect of deeper U.S. involvement in the Philippines. There is an indication that their Asean neighbors are concerned. Writing in the *Far Eastern Economic Review* of November 21, 1985, Jusuf Wanandi, executive director of the Centre for Strategic and International Studies, an Indonesian think tank with close government ties, suggests that Washington should let Filipinos handle their own political processes. He further urges that "The Asean partners should use their diplomatic muscle to discourage intervention by the major powers in the domestic affairs of the Philippines."

Public opinion in the United States may also be developing reservations about U.S. bases in the Philippines and their relation to U.S. intervention. Editorials have appeared in the *New York Times* and the *Boston Globe* advising that the Defense Department consider moving the bases from the Philippines to alternate sites in the Pacific.[21] *The Globe* editorial particularly cautioned that these bases were not worth a war of intervention.

Against this background it would be most unwise for the U.S. Congress to vote appropriation monies for new construction at Clark Air Field and Subic Base. To do so would appear to be giving a significant endorsement to the Reagan Administration's escalation of intervention in Philippine affairs.

Congress should vote no funds for U.S. bases in the Philippines. It should instead recommend the withdrawal of these bases. That is the surest way to prevent the development of another Vietnam War.

Mr. DELLUMS. The Chair has a number of questions, comments he would like to get into with you, but first I would like to yield to my colleague from Georgia for such time as he may consume.

Mr. RAY. Thank you for your presentation. You do present a view which I don't run into among my constituents very much.

The view which my constituents profess—I have to tell you that I come from the third district of Georgia, the home of the President Carter. I have two military bases there, so there are 50,000 veterans within a 40- or 50-mile radius of Fort Benning, GA—and the general feeling that my constituents express to me is that, you know, we have been far too friendly to the Philippines. We have given them far too much money. We have made too many concessions year after year in giving up the authority, even the policing of our military bases and so forth.

We are the largest—the second largest employer of people there in the Philippines, and I would suggest to you that if it was put to a vote whether we were going to withdraw the second largest payroll in all of that country from the Philippines, that many people would be very reluctant to vote the American people out.

I would just ask you your position on our presence in Guam, Korea, and Japan. Do you think we should also withdraw from those countries?

Mr. SCHIRMER. Yes; thank you for your question. As you can see from my objections to the Philippine bases, they infringe on national sovereignty, bases of any power.

I believe the same holds true for the bases of the Soviet Union and the bases of France, as far as that is concerned. This is not an objection addressed only to American bases. I believe that such bases infringe and undermine the national sovereignty of any country in which they are located, so that I would not want to see the

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[20] Michael Bedford, *The Philippines: The Bases of Intervention, Defense & Disarmament News*, vol. 1, #4, p.5.

[21] *Boston Globe*, July 30, 1985: *New York Times*, August 8, 1985.

bases relocated. I would rather see them brought home to the United States.

My other objection is that I am one of those people who believe that nuclear war is something that is of tremendous danger to all of us, irrespective of our political point of view, so that I feel that every step that can be taken to delimit this danger is important, and I think that removing the nuclear bases from the Philippines would be a good step toward a nuclear-free Pacific.

I would like to see the bases and nuclear weapons of all powers taken out of the Pacific.

Mr. RAY. Yes; what about the economic aid and grants and loans. Should we remove our bases? Would you say that we should continue to provide those?

Mr. SCHIRMER. I would be in favor of cutting off all United States economic and military aid to the Philippine government as long as the government of Mr. Marcos continues.

I think this is a criminal act, in fact, and we will find out, I think, when it comes out that much of this money was used to feather Mr. and Mrs. Marcos' pockets and used in investments in the United States, for example.

But, at any rate, I think that the Filipino people, if they wish, will show initiative in finding alternate economic use for these bases, so that I believe that it will not be a dead loss to them.

Let me give you an example. The last time I was in the Philippines, I visited Subic Base, and I was there with a clergyman, a Catholic priest who I know, and I saw a line of ships on an alternate shore to the right.

I said, "What are those ships doing there?" He said, "Oh, there is a naval ship repair and shipbuilding facility run by the Japanese on that shore."

And the ships are lined up waiting to be repaired. He said, "Does it ever occur to you that if the United States were to give up these bases, that the Philippine government could put this installation to work as a major international ship repair facility, and those bases wouldn't just be lined up in front of the Japanese. They would be coming into the Philippines as well."

And, of course, there is this tremendous reservoir of skilled labor which would make the repair an easy matter for the Philippine government to organize, so that I don't think that giving up the bases would be a dead loss to the Philippines.

I think it would provide them with an exercise and initiative to find other economic uses for these bases and their facilities.

Mr. RAY. One final comment. This delegation from this committee went through Singapore about 1 year ago, and the prime minister of Singapore expressed some grave concern to the delegation that the United States was sadly and badly neglecting the ASEAN nations, that we weren't sure of their support.

The only warring activities taking place in this area, for instance, was Vietnam where we don't have a presence, and the prime minister of Singapore pointed out that he had been there when the Japanese took over Singapore.

Of course, we went in and routed the Japanese out of the Philippines, and the people in that area remember war very vividly, and of course, the northern part of Indochina up there in that area

where the Vietnamese are carrying on such a deadly war right now and is an area where the prime minister feels we should be more involved in.

We are greatly concerned. Should we leave that part of the country, what would happen to those weaker nations?

I thank you for your comment. I just wanted to inject that into the record.

Mr. SCHIRMER. Again, thank you for this opportunity. I believe that this problem could be part of the solution withdraw. I would see nothing wrong with the U.S. Government approaching—there have been expressions. The Philippine leaders' expression for creating a nuclear-free zone of peace in ASEAN is only one such expression.

There have been expressions from other countries of this sort, as well, and I understand that the government of the Soviet Union has verbally, at least, given some assent to the idea of a demilitarized region in the ASEAN region.

I think it would be very well in the process of moving out of the Philippines if we would engage, the United States Government, explore, and open up conversations with the Soviet Union.

What about making this whole area a nuclear-free demilitarized zone? I think this would solve the problems that you mention, and I think it would be certainly cheaper and less dangerous than trying to hold onto the bases there.

Mr. RAY. Mr. Chairman, I don't have any further questions, and thank you.

Mr. DELLUMS. The time of the gentleman has expired.

Dr. Schirmer, I might say to you and the previous witness, perhaps, it is the nature of your training that you have been so thorough in your presentation that it is very difficult to formulate questions because you not only pose the question, but you answered them so magnificently.

There is just one question that the Chair would ask, because I am sure as you have sat here all day you have noticed that there is a thread of continuity that runs through most of my colleagues' questions.

It appears to be their No. 1 concern, and that is that if the United States—first of all, your position is no funds should go for any further improvements or building, that they should withdraw, and you laid out very clearly and articulately several reasons why that is the case.

The concern on the part of a number of my colleagues on both sides of the aisle is that if you withdraw from the bases, that the Soviets then would take over the bases.

I think you alluded to that earlier in your comments, but I would appreciate at this point if you would comment to that particular concern.

Mr. SCHIRMER. Well, I would simply underlie what Dr. Kahin said, that the nationalist mood, the growing, I will say, nationalist move in the Philippines brought on by the deprivations of Marcos backed by an alien power, unfortunately our own Government, this nationalist mood is such that they would never accommodate themselves, never welcome, never want a Russian occupier, a Chinese occupier, any other foreign nation to occupy these bases.

I would just like to add more grist to this mill. Let's not forget the unfortunate history of the Philippines, which I think they are at the point they say, "We want an end to it." They were occupied—what is it—for 300 years by the Spanish, then occupied as a colony for how many years—40 years—by the United States.

We have had bases there for another 40 years. The Japanese were there during World War II. I think the Philippines are saying, "We have had enough foreign rule. We want to run the country for ourselves." And I am sure that this would obtain as far as the Soviets are concerned.

Now, I was told by a friend, I didn't see it myself—that again this man, Paul Quinjudge, in the Christian Science Monitor, said that he had talked with reliable sources in the Philippines who had told him that it seems that certain advances have been made through Europe as to when the New People's Army would be receptive to weapons from the Soviet Union, and what these reliable resources reported to him was that the answer was, "No, we would not."

So, I think that what you have in the Philippines, we have to accommodate ourselves to new realities. You have a Communist movement there that is a Filipino movement. Maybe this is something new for us to think about, certainly in experience of the past this has not always been so as far as Communist movements are concerned.

So, we have been, let's say, unduly influenced by one or another power, but I think this is not the case in the Philippines.

You have statements coming from leaders of this Communist movement—Uberto Malayez, for example, saying we are a Philippine Communist movement. We are not Maoists. We are not Muscovites. We are Filipinos.

So, I think that nationalism is the keynote. I believe reference was made to this by Dr. Kahin, that the Communists in the Philippines are thoroughgoing nationalists, and I think they would not—they represent a mood that, I think, is a national one.

The Filipinos want to be independent once and for all, finally.

Mr. DELLUMS. Dr. Schirmer, we would like to thank you very much for your thoughtfulness and for your eloquence. You have contributed immensely to these proceedings this afternoon. I would like to thank you on behalf of myself and members of the committee.

Mr. SCHIRMER. Mr. Dellums, I have on hand some statements of concern from the Fellowship Reconciliation, a pacifist group you probably are acquainted with, Women Allied for Nuclear Disarmament, Church Coalition for Human Rights in the Philippines, War Resisters League, and several other groups. I would like to offer these to you for your consideration for the record.

And, of course, if I could just finish by saying I am very closely associated with a group called Friends of the Filipino People, and I think our members would endorse my remarks.

Thank you.

Mr. DELLUMS. I thank you very much, and we would appreciate it if you would submit those statements to us, and without objection they will appear at the appropriate point as part of these proceedings.

Thank you very much, sir.
[The following information was received for the record:]

STATEMENT ON U.S. BASES IN THE PHILIPPINES

by the Philippine Support Committee

The Philippine Support Committee is an organization of Americans and Filipinos who support the Filipino people's struggle for freedom, democracy, and genuine sovereignty.

The PSC regards the presence of the U.S. bases in the Philippines as an infringement of national sovereignty. Human rights violations on a massive scale have also resulted from the presence of the bases, since their maintenance has been used as a rationale for the provision of massive military aid to the Marcos dictatorship.

For these reasons, we urge the immediate withdrawal of the U.S. bases from the Philippines. We believe that this will not result in decreased security for the United States since the main value of those bases is the offensive projection of U.S. military might. On the contrary, we believe that it will contribute to better relationships between the people of the United States and the people of the Philippines. The bedrock of a strong friendship between peoples is a relationship built on respect for one another's sovereign rights. The bases are currently an obstacle to such a relationship, which is the foundation of real security.

Philippine Support Committee,
Dec. 5, 1985

WAND

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Lily Tomlin
Jane Wales
Alvene Williams
Dr. Loretta J. Williams

December 2, 1985

The Hon. Ron Dellums
Room 2120
Rayburn Office Building
Washington, DC 20515

Dear Rep. Dellums:

We were pleased to learn of your plans to sponsor Armed Services Committee hearings into the role of U.S. military bases in the Philippines. Such hearings come at a time when the growing U.S. nuclear presence in the Pacific region poses serious problems for the security of many nations in that hemisphere.

As we are sure you know, both Subic Bay and Clark Air Force Base have become key forward bases for U.S. nuclear forces, including Trident submarines and cruise missiles (both ALCM and SLCM). Other Philippines installations are used extensively for U.S. nuclear command and control, and fo. nuclear weapons training.

By integrating its nuclear force structure so thoroughly with other military forces in this volatile region, the U.S. has increased the risk that nuclear weapons will be used during a regional conflict. By storing nuclear weapons in the Philippines, the U.S. complicates the security risks inherent in its relationship with an instable government. Also, the massive investment in these bases contributes to the weakening of the Philippine economy (and, therefore, its economic dependence on the U.S.) by draining resources from domestic economic development.

WAND urges you to examine closely the presence of U.S. nuclear forces in the Philippines, the likelihood that nuclear weapons would be drawn into any military action in the region, and the detrimental impact of U.S. strategic weapons on the politics and the economy of the Philippines.

Sincerely,

Diane D. Aronson
Executive Director

WOMEN'S ACTION FOR NUCLEAR DISARMAMENT, INC.
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FOUNDED BY DR. HELEN CALDICOTT

THIRD WORLD REPORTS
11 Garden Street, Cambridge, MA 02138 • (617) 576-2432

December 2, 1985

The Honorable Ronald V. Dellums
Chairman
Subcommitte on Military Installations & Facilities
House Armed Services Committee
2120 Rayburn Building
Washington, DC 20515

Dear Representative Dellums:

We are pleased that your Subcommittee is holding these hearings on the United States' military installations in the Philippines. These timely hearings will assist our nation in deciding the significance of these bases in the larger context of U.S.-Philippines realtions.

Today, the continuation and utility of these U.S. bases in the Philippines are in question.

Filipino voices calling for the removal of the U.S. bases is widespread and growing. During a recent six week fact-finding mission to the Philippines, our staff met with a diverse sampling of Filipinos-from politicians to farmers, church leaders to trade unionists. Each stated the presence of U.S. military bases in their country was an effrontery to Filipino nationalism and sovereignty. Many were concerned about possible U.S. military intervention in the internal affairs of their country to protect these bases. Indeed, many saw the bases being used to support this intervention.

These Filipino voices continued in questioning whether the bases provide the protection cited by U.S. military strategists as their justification. Both U.S. and Filipino analysts agree there is no conventional threat to the island nation. Only the threat of Soviet nuclear attack provides a serious and immediate threat to the Philippines. Increasingly, Filipinos are understanding the statement of the late Filipino Senator C.M. Recto, who called the U.S. bases a "magnet" for nuclear attack.

The strategic value of the U.S. bases in the Philippines adds little to either United States security or to world peace. The forward basing of U.S. nuclear weapons in the Philippines raises the level of tension in the Pacific between the United States and the Soviet Union. The co-mingling of nuclear with conventional weapons blurs the distinction bewteen nuclear and conventional warfare, and increases the liklihood of accidental or limited nuclear war.

The conventional utility of the U.S. bases in the Philippines should also be examined. While these bases have been historically used for a launching point for U.S. military involvement in Asia and the Mid-

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East, the role should be examined in light of lessons learned from Vietnam and Grenada. In Vietnam, even with a massive technological advantage and a complex infastructure of bases throughout the Pacific, the U.S. military was unable to stop a nationalist movement. In the Grenada invasion, the U.S. needed to mobilize 7,000 troops, eleven warships, and scores of transport aircraft against a small armed opposition, located close to the U.S. mainland. Clearly, the limits of U.S. intervention in the Third World needs some reevaluation.

Supporters of the U.S. bases in the Philippines often cite the rise of Soviet military activity in the region as a major reason for U.S. presence. Today, the Soviet Union is more active in the Pacific region than before. While this growth of activity warrants our concern, it should be noted that the United States holds a sizable advantage to Soviet forces in the Pacific. The Soviet presence at the naval base at Cam Rahm Bay, Vietnam has becomes the newest reason for the continuation of the U.S. bases in the Philippines. This former U.S. base is primarily a repair, resupply, and recreation stop for Soviet naval forces. The Vietnamese continue to retain control over the use of these facilities.

Finally, it should be noted that the United States has become hostage to the Philippines over the use of the bases. By placing such a high value on their continuation, the United States is forced into intervening internally in the Philippines to protect the bases. This intervention is taking place in the political and the military fronts. Politically, the pressures from the Philippine Left on the Marcos regime has worried U.S. members of Congress, the Reagan Administration, and military strategists. Thus, the call for "snap elections" has openly been orchestrated by Washington.

Perhaps most ominously, the U.S. seems to be intervening militarily in the Philippines. There have a number of reports emerging both from the Philippines and within the U.S. military about U.S counter-insurgency activities alongside of the Armed Forces of the Philippines(AFP). The 1979 Bases Agreement gives the U.S. base commanders the legal framework for participation "in security activities outside of the bases' perimeters" and "to contribute security forces to these activities". The time may come when this country may once again find itself in another Asian war, fighting to protect the Philippine bases.

THIRD WORLD REPORTS encourages your Subcommittee to examine both the value of the U.S. bases in the Philippines, and their importance in light of over U.S. policies in the Philippines and Asia.

Sincerely,

Michael Bedford

Michael Bedford
Director

FOR

Fellowship of Reconciliation, Box 271, Nyack, New York 10960 (914) 358-4601

Nov. 28, 1985

Rep. Ron Dellums
Rayburn House Office Bldg.
Washington, D.C.

Subject: Committee Hearings on U.S. Bases in the Philippines

Dear Congressman Dellums:

I write to you out of the experience of my organization, whose work in the Philippines dates back to the 1920s, as well as my own personal experience of having lived in the Philippines for 13 years (1959-1972) during which time I taught social ethics at Union Theological Seminary near Manila and at Silliman Divinity School, as well as at summer pastors' school in Kidapawan, Cotabato. During that time I travelled all over the Philippines. This year I returned for three weeks during which time I met with people in Isabela Province in the North, in La Union, Pampanga and Cavite provinces in Luzon and Negros Oriental and Mindanao. in the South.

The presence of US bases in the Philippines is not in the best interests of either the US or the Philippines. The bases are a major cause of anti-Americanism in the islands. Rather than protecting the Philippines from foreign attack (what external threat is there, they ask?), the bases actually are seen as a magnet that would attract attack in the event of conflict in the Pacific in which the US is involved. The bases are seen as a prop for the dictatorial policies of Ferdinand Marcos, helping to keep him unresponsive to the genuine aspirations of the Filipino people. They provide him with financial underpinnings and military backup support whenever he should need it. These factors increase the popularity of the New Peoples' Army by heightening the peoples' sense of having no other viable alternative to a President backed by US military power.

The bases provide the rationale for keeping the US hostage to the whims and threats of Marcos. They cloud the vision of American policymakers in evaluating the Philippine scene. Rather than making decisions based on what is in the best interest of both the US and the Philippines, the bases are a millstone around the policymakers' necks. Long-term interests of building a demilitarized Pacific free of all foreign military bases (including the Soviets as well of course) are sacrificed to keeping the status quo, regardless of how much it costs or how much anti-Americanism it causes. The USSR has expressed its interest in a demilitarized Souteast Asia; this should be seriously explored. Rather than perpetuating the Cold War with its enormous economic and social consequences not only to the superpowers but to the Third World as well, we should be responsive to opening up new avenues of resolving long-standing conflicts.

The basic unrest in the Philippines will not be resolved as long as we pursue policies that have helped give rise to this situation. Putting a lid on people crying out against poverty and oppression is no solution at all. Vietnam taught us that lesson once and for all.

Sincerely,

Richard Bargett Deats

Richard Bargett Deats

International Fellowship of Reconciliation, Hof van Sonoy 1811 LD, Alkmaar, The Netherlands

The University Christian Movement
In New England
11 Garden Street
Cambridge, Massachusetts 02138

Phone (617) 354-6583

2 December 1985

Representative Roanld Dellums
House Armed Services Committee
Rayburn Building
Washington D.C. 20515

Dear Representative Dellums,

We understand that there will be a hearing on December 5 regarding the presence of U.S. military bases in the Republic of the Philippines. As staff people with the University Christian Movement in New England, a student organization which works with other Christian student movements around the world we would like to express our grave concern over the current U.S. posture toward the Philippines.

We receive frequent communication from the Student Christian Movement of the Philippines and other church groups in the Philippines. Kathryn has spent time living and working in the Philippines and will be returning there in January of 1986 with a group of nine college students for a two-week tour.

From all we have read, and seen first-hand, we are convinced that our military bases have a very negative impact on Philippine society. In addition to seving as a magnet for nuclear attack, the bases have had a devastating impact on the local economies in the areas where they are located. As President Marcos becomes increasingly isolated from his people, he is using the U.S. bases as a bargaining chip to insure continued U.S. support for his repressive regime. Thus, our presence there not only puts the people of the philippines in danger of being attacked during any kind of nuclear exchange, but also leads to their direct repression by a brutal government.

We understand the "strategic value" of the bases in the Philippines due to their location. We questions the wisdom and morality of maintaining the bases, however, given the current cost in human lives. Is it wise to further alienate the Filipino people, a people who have historically exhibited much goodwill toward U.S. Americans? Is it moral to ask Filipinos to give their lives to protect U.S. military and economic interests?

Ultimately we believe it is in the best interests of the people of both the U.S. and the Republic of the Philippines to withdraw the U.S. bases. At the very least, we should withdraw support from the Marcos regime so that for the first time in decades we can hear the voice of the Filipino people and hear their decision as to whether they want the bases to remain and under what conditions.

Sincerely, Kathryn Johnson Rev. Kathryn Johnson and Rev. Chris Blackburn

War Resisters League

339 Lafayette Street, New York NY 10012 • 212-228-0450

Affiliated with War Resisters' International and the International Peace Bureau • Cable Address: Nonviolent New York

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November 27, 1985

Ronald Dellums
Member of Congress, and Armed Services Committee
Rayburn Building
Washington D.C.

Dear Congressman Dellums,

War Resisters League is concerned that U.S. policy toward the Philippines is being shaped around the alleged need for U.S. military bases.

We begin our own approach from a clear and long-held opposition to any nation holding military bases outside its own territory. This is a position we have held during more than sixty years.

Whether these bases are U.S., German, Japanese, Soviet, British, etc., their history suggests they tend much more to provoke than create a peaceful climate.

In the case of the United States one does not need to be a pacifist to see that the "loss" of all present military bases held by the U.S. in the Southeast Asia area would not result in a military threat to the U.S. The most effective approach the U.S. could take, in military terms, to limit Soviet influence in the area would be to reach a detente with Vietnam, thus removing Soviet pressure on Vietnam to grant them a quasi-Soviet base, and to end the continuing pressure on Japan to increase its level of arms - which is seen by both China and the Soviet Union as an unhappy development. Let it be noted that China, which has often lectured the U.S. on the Soviet threat, has cut the level of its armed forces despite having a joint border with the Soviets. If the Chinese, who share a joint border, are reducing their troop level, what is the logic of the U.S. in insisting we must continue to hold advance bases in the Philippines?

With all due respect to the military, I have never known them to feel a military base was not essential. The base we hold in Cuba is an example of one which clearly threatens Cuba but is of nominal value to our defense. During the whole of the Vietnam War we were told that the loss of Vietnam would be a disaster from which we could never recover - yet shortly after war's end we cheered on the Chinese in their invasion of Vietnam, when for most of that war we had been told it was the danger of such an invasion that had brought us to Vietnam.

I am sure our own military is no better or worse in this respect than the Soviet military, but our most certain protection and defense is the gradual demilitarization of regions and areas, and in this sense the "loss" of our bases is a step we should actively seek rather than actively resist.

While we have those bases we can take active and positive steps - later, as internal events within the Philippines shift, we may find ourselves reacting rather than initiating, as was the case both in Iran and in Southeast Asia - ie., Indochina.

Thus I would urge the U.S. to begin an active policy of demilitarizing the Pacific region, of involving the Soviet Union in that process which would limit their chance of expanding into areas we left, of ending pressure on Japan to increase its military spending, to actively seek stable and normal relations with Vietnam and in the process of doing these things to seek the withdrawal by the Soviets from the Japanese territory they seized at the end of World War II, and to end our own occupation of parts of Okinawa where we have bases.

Any combination of these - and I'm writing at haste as an effort to help in a process of thoughtful discussion - would certainly make more sense than the stubborn holding to positions which place us in opposition to human rights, in support of reactionary and brutal regimes, and put is in a position where we will ultimately be forced to yield gracelessly what we might now concede as part of a broader bargain and settlement.

Sincerely,

David McReynolds

Church Coalition for Human Rights in the **PHILIPPINES**

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EXECUTIVE DIRECTOR
DR. DANTE C. SIMBULAN

December 4, 1985

Hon. Ronald Dellums, Chair, Military Installations & Facilities, House Armed Services Committee
House of Representatives
2021 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Dellums,

The Church Coalition for Human Rights in the Philippines is happy to know that your Committee is holding a hearing on December 5 to look into important questions relating to the U.S. bases in the Philippines.

We are a coalition of Churches and Church-related organizations, both Protestant and Catholics, working for human rights, justice and peace concerns in the Philippines. I am writing on behalf of the Coalition to express our grave concern at the deepening U.S. involvement in the purely domestic affairs of the Filipino people, justified by Administration officials by the "need" to protect what they perceive as U.S. interests in the Philippines, among which are the U.S. bases at Clark and Subic.

We strongly believe that the U.S. should not keep on maintaining these bases by pouring in more and more U.S. taxpayers money; on the contrary, we urge that the U.S. Government should withdraw its bases from Philippine soil for the following reasons:

1. The U.S. Government has used the maintenance of the bases as a justification for funnelling hundreds of millions of dollars in military and other forms of aid to the repressive Marcos dictatorship. This aid has been used to thwart the human rights and legitimate aspirations for democracy and self-determination of the Filipino people.

2. The bases, equipped with nuclear-capable weaponry and strategic communications system, render the Filipino people vulnerable to massive retaliation in the event of nuclear war and thus threaten the very existence of the Filipino people.

3. The bases have served and continue to serve as springboards for intervention in the internal affairs not only of the Philippines but of other countries in Southeast Asia, Northeast Asia and the Middle East. They not only threaten the rights of nations to self-determination but they also threaten to involve us in future Vietnams.

3. The bases, we believe, contribute neither to U.S. security nor to that of the peoples of the Philippines and Southeast Asia. Instead, they serve to destabilize the region and subvert peace and prosperity.

We would be happy to hear from you regarding our concerns and would like to be informed about the Committee's actions and recommendations on the hearings you are holding.

Please accept our highest esteem and regard for your work.

Sincerely yours,

FOR THE STEERING COMMITTEE:

DANTE C. SIMBULAN
Executive Director

Mr. DELLUMS. The Chair at this point would like to try to summarize where, it seems to me, we are, and where we have been during the course of the day.

First of all, we began these hearings as a result of our distinguished colleague, the gentleman from New York, Mr. Schumer, who raised a number of very serious and important questions with respect to the assassination of former Senator Aquino.

He testified this morning, and we indicated that at the end of these proceedings we would try to think through what the next step should be.

Since all of our colleagues are not here, the Chair would like to assert the prerogative of the Chair and instruct the staff to develop a communication to be signed by myself as subcommittee chair with the ranking minority member to the chairman of the full Armed Services Committee, Mr. Aspin, and the ranking minority member, Mr. Dickinson, indicating that these allegations have been raised by our distinguished colleague from New York and that we took some testimony, we have asked for additional information, and that we state in very clear terms that we believe that these concerns and allegations are serious enough that some component of the Armed Services Committee ought to continue to explore the specific concerns.

It would seem to me that the appropriate subcommittee in that regard would be the Investigations Subcommittee, but I would think that the wisdom of the full committee—that I would certainly acquiesce to the wisdom of the full committee. If they chose to have this committee engaged in the specific investigation, that would be fine, but my thought would be that this part of these proceedings should now go forward to the full committee and, in turn, to the Investigations Subcommittee.

With respect to the balance of the proceedings, I will make these observations. We began this morning after Mr. Schumer with Government witnesses from the executive branch of the Government, from the Pentagon, and from the State Department.

It seems to me that in characterizing their testimony, what they stated in very clear terms was that the two military facilities in the Philippines were "very important and significant tactical and strategic assets to the United States."

Upon questions from the Chair and other persons, it became clear that the administration at this time has no contingency plans, no alternative plans with respect to other facilities in the region to carry out the mission and the function presently being carried out at Subic Bay and at Clark Air Base.

That position, it seems to me, was laid out very clear and unequivocally, that there are no alternative; that they see the need to move as remote, and on the basis of that remoteness, have developed no alternative plans.

The witnesses this afternoon, one after another, laid out the dangers of not having any alternatives, not having any contingencies. Each of the three witnesses from very different perspectives clearly indicated that to not have contingency plans, to not have alternatives, and to cling tenaciously to the notion that Subic Bay and Clark Air Base are imperatives that cannot be replaced, will lead us clearly, perhaps swiftly, down the road toward another Viet-

nam-type quagmire with the death of American troops and the death of Filipino peoples, and that that would then move us in a position where we are intervening in a very significant way in the internal affairs of the Filipino people.

The second observation was that Mr. Marcos is obviously in some difficulty in the Philippines, that the administration perceives Mr. Marcos' difficulty as American difficulty at the bases.

That, then, as I think the professor pointed out, leads us clearly toward this escalation. Now, that does not portend well, as the Chair sees it, and that is that if we equate Mr. Marcos' difficulty with U.S. difficulty aboard those bases, does that mean, then, we are trapped in a situation where we are involved in counterinsurgency activity?

Does that mean that we are involved in covert action in order to maintain a government "in agreement with the U.S. maintenance aboard those two bases"?

If the answer to those questions is "Yes," then what we have done today is open up Pandora's box. I am very pleased that we have done this, to breathe some fresh air into the situation, because I believe very strongly—and I think I can say this without fear of contradiction—that the American people certainly do not want us marching in long steps down the road toward another Vietnam-type war as a result of the fact that we can't find alternative options for our bases at Subic and Clark.

I think with these observations the Chair would say that we are going to adjourn these particular hearings subject to call of the Chair, but it is the will of the Chair and, hopefully, with the support of my colleagues, that this is only the first hearing, that once we receive the information that we have requested from the administration for the record, and that also will include a number of questions that we did not allude to in the session this morning that go to the strategic issues that have been raised, and we asked them to supply that for the record, and I would like staff to ask that they give us a classified and unclassified version of those particular answers.

Based upon our perusal of that, it would seem to me that we then must establish what our next set of hearings should be, so that when we are in receipt of the fiscal 1987 military construction budget, that this committee will be very clear and very competent in understanding the implications of any act that we chose to take, and so whatever act we take, let it be done in the light of intelligence and understanding of what is going on, so that if we chose to join with the administration in continuing to beef up these facilities, to understand what the short- and long-term implications of those actions are.

Unless there is any other business to come before the subcommittee, the subcommittee will stand in adjournment subject to call of the Chair.

[Whereupon, at 4:35 p.m., the subcommittee adjourned subject to the call of the Chair.]

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